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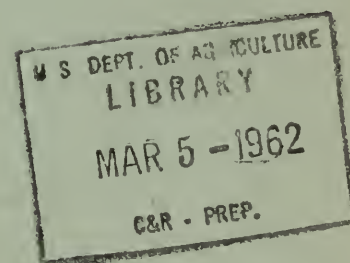
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1959
North Central Regional
Membership Relations Conference

Sponsored by

American Institute of Cooperation and
Farmer Cooperative Service, U.S.D.A.



May 13-15, 1959
Minneapolis, Minn.

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FARMER COOPERATIVE SERVICE
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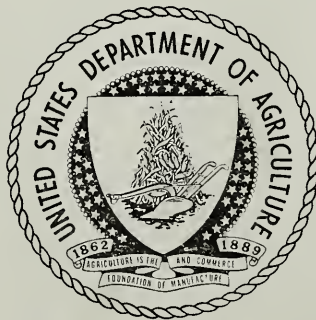
Joseph G. Knapp, Administrator

The Farmer Cooperative Service conducts research studies and service activities of assistance to farmers in connection with cooperatives engaged in marketing farm products, purchasing farm supplies, and supplying business services. The work of the Service relates to problems of management, organization, policies, financing, merchandising, product quality, costs, efficiency, and membership.

The Service publishes the results of such studies; confers and advises with officials of farmer cooperatives; and works with educational agencies, cooperatives, and others in the dissemination of information relating to cooperative principles and practices.

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SESSION I

Thursday Morning, May 14, 1959

Chairman: Seth Fisher

WHY ARE WE HERE?

 Seth Fisher

We are here because we recognize the importance of member relations to the future success of our cooperatives. We want to improve our programs and techniques in that area. We want to share with each other our experiences in member relations, and in turn benefit from what others have learned.

Changes make it necessary for us to change our ways and methods of carrying on member relations work. We have a constantly changing membership. Someone has referred to it as the "moving parade." It goes without saying that our second and third generations members do not have the understanding about cooperatives that those who helped to organize them had. They need more basic education in the fundamentals, principles, and methods of operation. They need to know what cooperatives can do and also what they cannot do.

Those cooperatives that primarily serve farmers are likewise faced with changes. Farms and farmers are becoming fewer in number. The farms are becoming larger and more specialized. Many farms are now in position to bargain for wholesale prices on their supplies. Cooperatives exist primarily to serve the needs of their members and those needs are undergoing constant change.

Changes in communications -- radio, television, newspapers, and so on -- require a revaluation of our ways and means of communicating with our members. These media are bringing about a high degree of competition for the members' time. It means that our member programs and meetings must really be worthwhile in order to attract a family away from their favorite television program.

Transportation changes likewise have an influence on our programs. It is possible for our members to go greater distances to attend various types of meetings. It likewise means that they are able to attend other events that may compete with the cooperative programs.

Keener economic competition is a change that will be with us for years to come. Cooperatives must meet this competition if they are to continue to perform an economic service for their members.

Technological advances have been tremendous in the last few years. These changes will continue and will have a direct bearing on our cooperative

relations. We are told that there has been more scientific advance in the last 5 years than in the previous 50 and it may well continue at about that same rate.

The mobility of our population and the development of suburbia are causing many of our so-called rural cooperatives to take a second look. Many of our communities are made up of so-called suburbanites. These shifts bring some concrete problems to our cooperatives.

Consumers are turning more and more to cooperatives for their needs for housing, health, credit, medical care, insurance, and similar services. Are our cooperatives going to adapt their service program to help meet these needs?

Mergers and consolidation are taking place at a rapid rate in the private profit business field. Some of our cooperatives have recognized this need and have followed suit. There is great need and room for many other cooperatives to get together.

Integration is a term that has been facing us now for several years. In some areas, cooperatives are providing the answer in this field. It has a direct bearing on the members' welfare. Cooperatives could well afford to take an even harder look at what they can do in this field.

There are many challenges to those of us in member relations work. These are a few of the areas that need considerable improvement:

Communications -- both internal and external. Most studies have shown that members want more information about their cooperative. Management likewise needs to know more about the membership. It is obvious that a program of two-way communications is necessary.

Annual meetings are probably the most common means of getting information to the membership; yet there is a lot of room for improvement in most of these meetings.

Annual reports are also a necessity in each cooperative. They need to be made readable and understandable as well as attractive. Most of them contain information that has little significance to the member.

Publications could be used to good advantage by more of our cooperatives. They need to be made attractive and informational, as well as educational.

Our young people will be our future cooperators. From them will come our members, our employers, and our directors. Every cooperative could well afford to have a cooperative activity program for the youth in its community.

Training for managers, employees, and directors is necessary in all our cooperatives. We know certain ways of doing things are most efficient. We shouldn't leave it to an individual to learn by trial and error.

Member financing is an area of weakness in most of our cooperatives. In most cases this means lack of an educational program. If our cooperatives are to be truly member owned and controlled, it follows that members must do most of the financing. This in itself becomes a major member relations program.

Research in the member relations field has been inadequate. We need to know more about where we have been and where we are going and how best to get there. Motivation of our member patrons is an important program. We know far too little about it. We also talk rather glibly about participation by the membership. Participation means different things to different people. Many of us profess to want it, but we do little about getting it.


What can research tell us about how we can best get member participation? An Iowa study emphasized that participation means that the member patrons will: Patronize, make decisions, get facts and understanding, finance, share costs, bear risks, maintain and protect their organization, and share in the economic benefits. The study concluded that those member patrons who had the best understanding of cooperative principles participated the most in their cooperative.

We recognize that our cooperatives are different from other types of business. The basic difference is in the member-user-owner relationship to the business; but have we capitalized to the greatest possible extent on this difference? Many members are not enthusiastic supporters of their cooperatives. Many are opportunistic and critical of their organizations. Maybe it is because membership has been pushed on them. Maybe they never wanted it, together with the responsibilities that accompany it.

Have we made membership too easy? Does membership in a cooperative actually mean much? Does it mean the same in a cooperative as it does in a family, a church, or a lodge? Do we treat our cooperative member patrons as members or do we treat them like customers? If we can find the answers through some of the questions I have raised, then this clinic in my estimation will have been very much worthwhile.

On behalf of our Midland family of cooperatives, we welcome this opportunity of being host to you. Welcome to our region and to the twin cities. If we can be of help to you during your stay here, please let us know.

The Increasing Importance of Building Good Member Relations

 Owen K. Hallberg

Little did I realize last fall when I sat in on a preliminary planning session for this Clinic, while attending the American Institute of Cooperation, that I would be the kick-off speaker on the program. Inasmuch as I am pretty much of a neophyte in the matter of membership relations, particularly when compared to other program participants, I do feel highly honored.

As I see it, my task in this first presentation is to present the need, the whys, or the reasons for having a good member relationship program. I am fairly new at this work with the St. Paul Bank for Cooperatives, having carried on an active program only for the past 3 to 4 years. Perhaps the program committee thought like a friend of mine in the engineering department at Minneapolis Honeywell, who gives the tough, unsolved problems to the new research engineers fresh out of college. Since they don't know a problem can't be solved, they take a fresh approach and in many cases come up with a solution.

I do believe that the Farm Credit Administration has realized the importance of a strong member relations and public relations program, for it was former Governor Duggan who in 1952 said:

"When an emergency comes in the form of an attack on your cooperative, it may be too late to build good public relations. By waiting until the emergency arises, the enemy has an opportunity to get in the first licks. Its story is likely to be taken at face value because the members, or the public, don't know any better. At best you can only hope to offset some of the damage. It is difficult for truth to catch up with falsehoods. However, if you can give truth the headstart -- if your co-op has built in advance good membership relations and public relations with a strong continuous information and education program -- the dangers from attacks from the outside are greatly reduced. The members and the public know in advance what the organization stands for, and what it is trying to do. Misinformation in such an organization can do little harm. Investments in information and education programs are an investment in a cooperative's future strength, rather than just an expense of the moment."

In our own bank, prior to 1955, when cooperatives began the purchase and take-over of the bank from Uncle Sam, our member relations program was somewhat limited. Since establishing a member relations, public relations, and new business department, our loan volume has increased from \$49.3 million to over \$81 million, and our number of borrowers from 475 to 564. This growth indicates to me that the program is paying its own way.

When one reviews the literature concerning membership relations, one can come up with many overlapping definitions, such as:

1. The attitude of members toward their cooperative.
2. The method of getting members to have a sincere feeling of ownership responsibility.

Actually, I like the definition used in the News for Farmer Cooperatives which says "Membership relations are the relationship required to bring about the necessary two-way flow of information and responsibilities between members and management of cooperatives." Therefore, establishing and maintaining this flow is the membership relations program.

In kicking off this member relations clinic, I think that what we are going to discuss is how to bring about the flow of information and responsibilities between our cooperative members and our cooperative management. The "hows" and "wheres" are going to be up to those that follow me. I'm going to be like the typical agricultural economist in discussing the farm surplus problem -- just point up the problems, not give any solutions.

In my recent travels over the four-state area served by our bank -- that is, Michigan, Wisconsin, Minnesota, and North Dakota -- it seems that I have sensed a growing urgency for a membership relations program by many of our local cooperatives, particularly in the dairy and farm supply fields. Why this urgency? In many cases, competition, lowered dairy price supports without a commensurate lowering in price paid for milk, or higher operating expenses have caused many cooperatives to operate with a small net margin, at a breakeven point, or even at losses.

And, as J. W. Jones pointed out in his bulletin on Membership Relations, "A cooperative association may have a good balance sheet and a good record of performance in its field of activity, but, until its members feel a sense of responsibility for, and ownership of, the association, it will have a foundation unlikely to withstand a period of adversity. Without such a feeling of ownership or responsibility on the part of its members, some of them are likely to look upon the cooperative as just another buyer of farm products, or vendor of supplies and services."

As I have visited with many managers and directors, it appears to me that lack of an adequate membership relations program has actually set up a barrier or fence to the flow of communications, information and responsibilities.

What are some of these problems or barriers managers have talked about?

The first concern that most managers seem to have is -- Loss of Patronage.

This loss of patronage or business was illustrated by the complaint of a dairy co-op manager in western Wisconsin who had lost several of his large customers to a private plant. As he stated, "Every time I lose a tankload of milk of 10,000 pounds, my operating costs per 100 pounds of milk go up, and this means a smaller return to the rest of the patrons. What can I do to stop this loss of business?"

Tied in directly with this loss of patronage by another manager I visited was -- Loss of Loyalty.

This manager pointed out that in recent weeks he had lost several patrons who had been shipping milk to his association for 25 years, and still they switched to another firm for 5 cents a hundredweight extra on milk. I probed a little further, however, and think I discovered that the rank and file membership of this co-op does not have an actual feeling of ownership in the organization and responsibility for its success. After several excellent years of operation, this association had a poor year in 1958, and members began to be disgruntled because they didn't think they were getting the straight facts from the manager

and the board. Result -- when a fieldman from another firm came along with a story to tell regarding his organization, they jumped the traces and were gone.

As a logical follow-up to loss of patronage and loyalty, we have -- Loss of Prestige.

After all, cooperative members like to belong to a successful cooperative, one in which they have confidence and which others respect. They will develop a pride of ownership in an association which is well run, financially sound, handles quality products, and has personnel which are respected and active in the community.

But, unless members feel the organization is theirs, a loss of prestige can happen quickly if wild rumors about the co-op get started and its members start to fall away.

When members start to fall away from a cooperative, one of the results is -- Lack of Ownership.

By this I mean not only finance-wise, through loss of equity capital, but, also, in the sense of belonging. In other words, no longer do they say: "This is our cooperative."

In this respect, I have had many managers tell me they can't afford to spend money on member relations. To them I reply: "You can't afford not to spend money on member relations, for greater patronage and increased net savings should result, and along with greater net savings, increased ownership. Perhaps it shouldn't be listed as a separate barrier between the member and management, but along with the lack of ownership goes -- Lack of Finance.

Working for the Bank for Cooperatives makes me prejudiced on this matter, but I believe that one of the main tasks of a member relations program is to get across to the member the need for adequate financing. Particularly with younger members is this important, for a beginning farmer needs his cash now, and doesn't want to wait 5, 10, 15 years for his patronage savings. The withholding of cash refunds makes the cooperative seem like any other business. He doesn't realize what a return an investment in his cooperative will pay, and that his off-the-farm business needs to be adequately capitalized just as well as his farm. Getting this story across is a critical point for our cooperatives.

Another big barrier many managers have mentioned is that their members don't seem to understand what the cooperative is, in other words -- Lack of Understanding.

Actually, we in cooperatives say that we have a terrific educational job to do regarding the general public, that we must do an intelligent public relations job aimed at interesting the other fellow in our problems. I sometimes wonder if along with this job, we shouldn't undertake a broad educational program for our own members regarding cooperative structure, purposes, aims, methods and the like. I believe the surveys made by the Minneapolis Tribune among farm folks, and by Beal and Bohlen in Iowa point up that we have a great vacuum regarding

co-op understanding. Eliminating this vacuum should be a prime reason for a membership relations program.

Back in the days when our cooperatives were small, when we had co-op creameries and cheese factories at every crossroad, contacts with members were on a neighborly or community basis. But with the growth of cooperatives, with merger and consolidation, and with formation of regionals and federated cooperatives, one of the barriers springing up between co-op members and management is -- Lack of Personal Contact.

Members are no longer just neighbors, and as one patron put it at an annual meeting I attended where the manager didn't appear on the program, "How about having the manager and directors stand up so I can see who they are?"

Following, and arising from, this lack of personal contact between members and management, we find another barrier -- Lack of Influence.

Because of the bigness of many cooperatives, many members complain that they have little to say about how their association is being run. Typical comments are:

"What's the use of going to annual meetings? It's all fixed anyhow!"

"The manager tells the directors what he wants done and they always go along -- or, the directors do as they please."

"Voting for something doesn't make the manager do what we members want."

A survey of the Michigan Milk Producers Association showed that 62 percent of the membership said they had little or no voice in how the association was being run, and other studies in Iowa and Ohio point up much the same problem.

When you have a feeling of lack of influence on the part of members, it naturally follows that they will also feel a -- Lack of Responsibility.

Some of our co-op managers and directors seem to feel that members have a moral obligation to be responsible to their co-op, and when I think back to some of the cooperatives my Dad helped start in northern Minnesota back in the 1930's, this argument may have had some merit. However, I don't think it holds water anymore. When surveys in Iowa and Pennsylvania showed that only 40 and 33 percent, respectively, of the members felt a moral obligation to support their co-ops, I think member relations has a real task in redefining and building up responsibility.

Perhaps one of the real reasons why members feel a lack of influence and responsibility is that in many cooperatives there is a tremendous -- Lack of Information.

Keeping the members adequately informed is a never-ending task. Again, one of my pet peeves, probably because I work for the Bank, is the lousy job being done at annual meetings in explaining the financial report and discussing the

association's affairs. A secretary gets up and mumbles over the minute details in the printed statement -- doesn't explain what they mean, or what they represent. Then the president asks if there are any questions (and secretly hopes there aren't), asks for a motion to adopt, and railroads the motion through. Also, how many cooperatives make certain that each and every patron obtains a copy of the annual report?

Of course, I could talk for 20 to 30 minutes on annual meetings, and how not to run them, because I've seen plenty of meetings that weren't handled properly. Is it any wonder that members get disgusted and don't turn out for their annual meeting, which, in many cases, is the one and only method that cooperatives use in disseminating information!

As I said at the start of this discussion, membership relations involves a two-way flow of information. In other words, listening is just as important as talking or writing, and in many cases, I'm afraid our managers and directors don't keep their ears tuned to their members' needs or complaints, which results in -- Lack of Planning.

Is the association failing to meet the needs of its members for services, such as bulk feed delivery, adequate grain storage facilities, and bulk fertilizer spreading? Or, conversely, is the management insisting on providing services no longer needed to the point where the operation is unsuccessful? Management planning is the subject of a 40-minute talk I have given. All I will say now is that by keeping in touch with members and anticipating their needs, we can do a better job of planning, and keep ahead of the competition, not just keep up to them.

And, when it comes to this matter of planning, I sometimes think our managers and directors have a rather warped idea of the function of a cooperative. I do not believe a cooperative exists to provide a job for the manager, or positions of honor for the boards of directors, or even to keep a town which is slowly dying alive for a few more years. But this is what we run up against when we discuss mergers and consolidations, or closing down inefficient branches of a cooperative.

A barrier which I'm mentioning, mainly because I've heard so many older board members tell me this presents a problem, is -- Changed Philosophy.

My first actual work with cooperatives was with the Cooperative G.L.F. Exchange back in 1947. At that time, I didn't think they were being realistic about the changed philosophy that many of their patrons had concerning G.L.F. There are those in this room who know the awakening that came about and the active membership relations program undertaken by G.L.F. in recent years. I think many of our Midwest cooperatives are still operating in the 1930 atmosphere -- that is, in an unrealistic manner concerning hard-headed business tactics, business relationships, and attitude toward customers. A change must be brought about or many of our co-ops will be going "down-the-drain" -- and soon.

Closely paralleling a changed philosophy is another barrier -- that of -- Changed Attitude.

How does a member measure satisfaction with his cooperative? What are the yardsticks of success -- simply a strong balance sheet and a good operating statement? Not necessarily, for I think we have some cooperatives that aren't fulfilling the needs of their members for goods and services, but are still showing a creditable operation. Certainly, efficiency should be a yardstick; and if the co-op is not doing an efficient job, the member should see that it becomes effective. Conversely, a member should help and not hinder the achievement of efficiency, as has been done in some cases.

My talk has become too long, and I don't want to intrude on Dr. Dankers' time, so I'm going to wind up with one last barrier, which is -- Lack of Co-Cooperation.

As our cooperatives have expanded and spread out over wider areas, the problem of competition among cooperatives has become more acute, and a problem of which members are well aware. In many cases, a farmer may be a member of several cooperatives, some of which may be competing with each other, attempting to do the same job for many of the same people. This of course is true -- not only on a local, but also on a regional and national level.

With proper understanding between members of cooperatives (as illustrated by the Production Credit Association -- supply cooperative tieups on accounts receivable financing), I think the possibilities for co-cooperation are great, but we must have confidence in each other to get the job done.

On this matter of co-cooperation, I would like to touch on mergers and consolidations again; for if cooperatives do start to work together, in many cases an eventual merger may be brought about. However, whenever the word "merger" is brought up, many co-op members throw up their hands and say: "We are getting too big already." Here is where a strong member relations program, which dispenses reliable information concerning the growth of co-ops and the need to grow larger, can be of benefit. We need to inform our co-op membership, for I have heard some farmers say -- "Oh goodness, Land O'Lakes Creameries or Consolidated Badger are getting too big already," when, actually, dairy cooperatives are slipping in the proportion of dairy products' sales volume they have.

If members are armed with proper facts and figures, I do not believe they will be afraid to grow.

Well, we've set up a lot of barriers between our co-op members and co-op management. But, it is my firm conviction that a strong, adequate, well-planned, and well-executed membership relations program can knock down these barriers, and convert them from a picket fence to stairsteps which can carry the flow of information up and down between members and management.

STEPPING STONES

Isn't it strange that Princes and Kings,
And Clowns that caper in sawdust-rings,
And common folks, like you and me,
Are building for eternity?

To each is given a kit of tools
A shapeless mass and a book of rules
And each must build 'ere life is flown --
A stumbling block or a stepping stone.

You are the fellow who has to decide
Whether you'll do it, or toss it aside --
You are the fellow who makes up your mind
Whether you'll lead or linger behind.

Whether you'll try for this goal that's afar
Or just be contented to stay where you are --
Take it, or leave it -- here's something to do --
Just think it over -- It's all up to you.

It is my hope that in the next 1½ days, we are going to get a good understanding of how this job can be accomplished, and how we can build our stepping stone stairway with a strong member relations program.

Basic Elements of a Good Member Relations Program

 William H. Dankers

The basic element in a good member relations program for cooperatives is understanding. How can people take a real interest in, and how can they participate intelligently and be active in, something they do not understand?

What is sometimes even more problematical is when people not only fail to understand but completely misunderstand. Just to step outside of the membership area, I am firmly convinced that a lot of the opposition to cooperatives, and the way the opposers operate, is not the result of selfish opposition. It arises from either a complete lack of understanding, or of complete misunderstanding.

Within the ranks of cooperative associations and not only among the members, but among directors and management, I know there are many who could not even define the difference between a cooperative association and other types of ownership. Nor could they define the difference in the organizational structure, in the method of voting and control, and in the distribution of whatever net margin may prevail at the end of a fiscal year.

If understanding is the basic element in good member relations, and if a lack of understanding is the basic problem, then we just naturally arrive at the next basic element -- namely, the need for education and information about cooperatives. And here I believe we can emphasize another important element, which is that we not only need to disseminate information about cooperatives but we must help interpret such information for the membership, as well as for people outside of cooperative associations, and we must do so carefully, honestly and well.

Colleges, and schools of other levels and ranks, have fallen way short, and need to do more in this connection. Those of you who have read my report pertaining to my survey of cooperatives in northern Europe in 1957 know that I strongly believe that education and information pertaining to cooperatives should be a part of the training programs of public educational institutions rather than being set up in separate colleges and schools for training in cooperation.

However, far beyond the shortcomings of our public educational institutions are the shortcomings within our own ranks -- namely, the failure to develop necessary informational programs for directors and members of cooperatives. The result has been that we continue to struggle along with inefficient units, and a lack of support and loyalty on the part of member-patrons, who don't even think of it as their cooperative, but merely as another place to buy, to sell, or to obtain service. That we definitely lack good member relations and understanding is made crystal clear in some of the recent surveys, and especially so from the answers of 268 member-patrons in one survey which were as follows:

1. Only 55 percent considered patronizing their cooperative as a member responsibility.
2. Very few members in the group mentioned financing as part of their member responsibility.
3. About one-third of the member-patrons were critical of their cooperative, but 57 percent of those had never talked to the board of directors or the manager about it.
4. More than two out of five had never attended the annual meeting of their cooperative.
5. All of the local cooperatives had regional affiliation; yet 40 percent of the member-patrons surveyed didn't even know about the existence of such wholesalers or regionals.
6. In total, the member-responsibility rating -- with a perfect score of 100 -- averaged only 50 for those who were surveyed, and ranged all the way from 9 to 96. Of the total, 31 percent indicated that they had no responsibility to their cooperative.

To really clinch the basic element of a need for better member-patron understanding, let us glean from another survey which indicated:

1. The element most highly related to member-patron participation in a cooperative is an understanding of the basic principles of cooperative organization and operation, and
2. Secondary, but still most significant, is a knowledge of facts, such as information about net margins, volume of business, financial status, new facilities or merchandise, salaries paid, and so on.

Another basic element in good member relations is confidence; namely, the feeling on the part of member-patrons that the cooperative and its operations are entirely democratic, that each member-patron has a definite voice and a definite part in the control of the cooperative, and that their own individual well being and prestige is enhanced thereby.

Directors and managers of local cooperatives, and directors and management of the regionals with which the locals may be affiliated have a deep responsibility, in developing and retaining such confidence. In many instances they have fallen decidedly short in assuming this responsibility. The lack of assuming this responsibility has probably been an important reason for the failure of some cooperatives. It has stymied growth and progress toward size and integration, which at present are so greatly needed.

Let me quote from a letter written to me on May 11 by a young college student.

"I have been working on a term paper for Social Problems on cooperatives, and their possible threat of becoming big business. I am writing to you upon suggestion of my county agent, that you might have some material available on this topic. Because I will be attending the National Cooperative meeting in Illinois this summer, I would appreciate any information you might have on Cooperatives and the Farmer."

Let me repeat "the possible threat of cooperatives becoming big business" -- an attitude and a concern that I am sure prevails not only with a young college girl, but with a large number of member-patrons of local cooperatives. A basic element in good member relations from here on is to get them to understand that cooperatives need to be big, as a means of competing with other types of ownership, which already are much larger in most lines of activity and which are growing at a more rapid rate than most of the cooperatives.

Further, and just as important, is the need for getting the information, and the idea to member-patrons that a large, yes, let's say very large, cooperative can be entirely democratic, if it has the proper organizational structure, and if then the member-patrons from the local cooperatives on to the regionals exercise the rights and privileges provided in the organizational framework.


In this connection, I think it is quite clear that some revisions in the organizational structure are long overdue, for some of our larger cooperatives with a direct membership, and for some of the regionals that are constituted by the federation of local cooperatives. To gain and retain the confidence, the interest, and the support of a widely scattered group of member-patrons, we need to broaden the base of our local representation in regional affairs.

I am completely convinced that our old delegate system of voting is completely outmoded. Why not let the entire Board of Directors of local cooperatives come to the annual meeting of their regional and parent association, not to have just one of them cast the delegate vote, nor to force them to cast one vote as a group, but to cast their individual votes as each one sees fit? It would be much more of an individual challenge, and it would be much more

democratic. The "representing members," that is the directors, would then more broadly represent the member-patrons of their local cooperative. In my opinion this would be of tremendous advantage to the regional or parent association, because the right and privilege of individual representation and individual voting, at the meeting of the regional, would in turn establish individual responsibility for the regional back in the home territory. It should establish a strong arm of public and member relations for the regional, in each of the communities where a local affiliate operates.

Many more elements which make for good member relations could be mentioned, but the intention in this presentation was merely to outline a few of the basic elements, and some of the highlights.

How People Are Motivated

 Arnold M. Rose

In order to motivate people to become active participants in the affairs of an organization there must be adequate communication, through an effective educational program, of the total meaning of the organization and its activities to each individual member. The educational program must be quite clear and explicit concerning (1) the purposes of the organization and, (2) personal opportunities and responsibilities associated with membership in the organization.

The educational program may be more effectively communicated in a face-to-face situation than through mass media such as monthly publications. In addition, communication is more effective when carried on in groups.

People tend to associate values of belonging to an organization with personal values or rewards. Examples of such values include such abstract factors as (1) ideals, (2) expected of normal behavior patterns, and (3) personal interests involving health, wealth, social acceptance, security, new experiences, knowledge, beauty and rightness.

People may be motivated to active participation in organization affairs by persuading them to make personal commitments involving (1) small personal sacrifices, (2) pledges, especially made in a group situation, and (3) acceptance of a set of rules.

People may be motivated to participation in organization activities by arousing in them a feeling or spirit of rivalry and competition with other groups, both within and without their organization. Motivation to participation may also be achieved by arousing a spirit of conflict with groups holding opposing sets of values.


Appeals to encourage participation may differ between periods of organization success and organization failure. It is important, in efforts to encourage

participation, to (1) avoid wasting time of individuals, (2) develop an effective group structure, and (3) clarify any division of labor.

Finally, motivation to participate may be strengthened by appealing to the members' sense of organization through (1) tradition, (2) symbol and ceremony, and (3) ideology.

* * * * *

The Membership Job for Tomorrow 1/

 Jerry Voorhis

We are living in an economy of bigness. Economic power will likely grow more concentrated, not less so. Against these giant businesses, co-ops must be big enough to stand their ground economically. They will need to continue growing larger -- through expansion, development of new lines of enterprise, mergers, and joint undertakings.

Co-ops must recognize (1) that people in our society are crowding in on one another, (2) that they are placing far greater emphasis on conformity than ever before, and (3) that they strive desperately to achieve a feeling of belonging to an accepted group or groups. For the ordinary person, this other-directed society seems an absolute necessity.

Co-op leaders know that in such a society it is harder to get people to accept a new idea. They simply go off to suburbia and work in their gardens, oblivious of the idea. However, once an idea or an enterprise has achieved the status of a community institution, it finds it easier to hold that respect and approval.

As co-ops grow, they will become better accepted and more secure within the economy. The big questions are:

1. Will co-ops just grow -- and cease to have any real co-op aspects? (the way so many mutual insurance companies have grown and lost all policyholder participation while concentrating actual power in the hands of a self-perpetuating directorate);
2. Or will co-ops grow and involve their owner-members in making the most vital, the most significant, the most basic decisions about the purposes and policies of the business? Will they draw their members into active participation in their business, of which they are justly proud?

1/ This speech was delivered at the luncheon meeting of the first session, Thursday, May 14, 1959.

The second answer is the right decision, of course, but it is not the easier one. Those co-ops that aren't content to let bigness carry them along and that are determined their members shall have ultimate and effective control must recognize two parts to the job.

Part of our membership job can be achieved only indirectly: by making the co-op an accepted, valued community institution. To do this, the co-op must (1) serve its customers efficiently from the cleanest and finest facilities, (2) take the lead in community campaigns, such as a hospital drive or the Boy Scouts, (3) involve its leaders in every community group, and (4) establish the finest working relationships possible with its employees, for it's literally true 9 times out of 10 that society has the same opinion of an enterprise as its employees do.

Co-ops must also recognize that in our predominately other-directed society, many people are eager to find a personal dignity they cannot now achieve. This is the group to which the cooperative membership appeal can best be made. Perhaps one person in four feels uncomfortable as an organization man (or an organization wife). For such people, co-ops have a tremendous opportunity, for indeed they are a way these people can achieve the dignity they yearn for.

Therefore, the other part of our membership job must be achieved directly by offering people the opportunity to participate in a genuine democratic, dynamic, constructive, self-help enterprise through which they can serve themselves without paying tribute to anyone. This must be the heart of our member relations, using the best of educational techniques and approach with (1) an educational director, (2) a newsletter, (3) annual meetings, (4) congress and district meetings, if the co-op is a big one -- examples are co-op insurance firms, Greenbelt, North Carolina, and Midland's plans -- and (5) as many committees as the co-op's leaders and members can dream up.

Committees are of two types:

1. Those whose purpose is to make the co-op a center of individual and community life such as committees on (1) teen canteens, (2) senior citizens, (3) art groups, and (4) nursery schools.
2. Those whose job is actually to help run the co-op, each with a director as ex-officio member. For example:
 - (1) Education committee (an idea committee) which chooses literature, runs the newsletter, provides hospitality to co-op leaders from outside the community and runs annual meetings.
 - (2) Membership committee (a contact committee for the direct education job) such as new member indoctrination; personal contact with all members, even if it's only once every 3 years; a precinct captain system and telephone crews.
 - (3) Public relations committee (a committee for the indirect education job) that is to get leaders into community groups, to direct news-

paper and radio institutional advertising, and to sponsor community lecture series.

Cooperatives have an economic job to perform, and at this task they must grow ever more capable. But this is not enough. Co-ops have a job to perform in a changing society, as well. To meet this second responsibility, they must master improved membership techniques -- indirect ones as well as direct ones. If they don't, co-ops will become less and less like co-ops, and indeed, their co-op aspect may disappear entirely. And this will be a great tragedy. For mankind today desperately needs those institutions that afford individual men and women a chance to play significant roles in the world's drama.


SESSION II

Thursday Afternoon, May 14, 1959

Chairman: L. A. Cheney

IS A MEMBERSHIP RELATIONS PROGRAM GOOD BUSINESS?

A Membership Relations Program Is Good Business

 Kenneth Wallin

A function of a membership relations conference dealing with the subject: Motivation for Member Participation, should be to consider the functions of membership. The terms "member" and "membership" imply a great deal.

If you or I were given the assignment to evaluate a certain cooperative, I am sure that the outline of criteria would contain a considerable number of pertinent points, not the least of which would be searching questions with respect to the cooperative's membership and membership relations program.

Engaging in such an evaluation we might ask: Are members informed? Are members loyal to the cooperative? Do they participate fully? Is there evidence of constructive criticism from membership? Are members receiving extra financial returns as a result of the cooperative's business affairs? Are they receiving "mental" returns as well as financial? Are the members of the cooperative motivated by their own economic interests, or is the membership held intact means of other pressures?

It has been said many times that members are the life blood of the business. Individually progressive and successful members are the best members for a strong cooperative.

In all of our attention to the subject of membership, we come down to the basic fundamental that nothing is more important since it is here that we find the ownership and control of the cooperative. We cannot separate ownership and control. In the final analysis both rest with the membership.

Functions of Membership

A membership relations program may be defined as the engineering of members' support, obtaining the consent of membership, generating their enthusiasm, and building and holding their confidence. We can, at the outset, conclude that a membership relations program is good business -- if it is conducted in the best interest of the members.

Realizing the importance of a two-way flow of information, it is incumbent upon the directors and manager of a cooperative to recognize that members, in addition to receiving the goods and services and returns of their cooperative, must also contribute by carrying out their responsibilities to the cooperative.

At the risk of appearing vain I shall refer to Badger Breeders Cooperative, the organization by which I am employed. In our Manual of Functions and Organizational Flow Chart we have set forth the functions of members, and those member who become elected as delegates, to include the following:

Investing in the cooperative; patronizing the cooperative fully; electing delegates; nominating directors; observing rules, regulations, and policies; stimulating interest in, and defending, the cooperative; cooperating with employees in the daily conduct of the business; keeping approved records; paying service fees promptly; attending meetings called by the cooperative; keeping well informed; acting on resolutions; constructively criticizing and challenging the operations of the cooperative; electing the board of directors; taking final action on bylaw changes; reviewing annual reports; and providing leadership in their respective communities.

We constantly refer to these functions of members and delegates in the operations of the organization, particularly in connection with district and annual meetings. This is a part of our member relations program.

Start Membership Relations Early

In the process of membership procurement we can, if we allow ourselves, become wishy-washy in our membership relations. We do not subscribe to such philosophy as, "Crank the telephone and you're in and stop cranking it and you're out," in our service business of breeding cows by telephone. We believe that a sound membership relations program should begin with the member before his formal enrollment as a stockholder in the business. The cooperative's philosophy and membership education should be based on what the cooperative is, how it works, how it serves and benefits the members, why they need it, and that they own it -- and because they own it, they must finance it. While they can't manage it, they need to properly patronize it.

Our accounts receivable policy is cash at the time of service, or within 15 days after receipt of statement. In a membership of 28,000 last year we had a volume of some 363,000 transactions at \$5.00 each. With a dollar volume of a little over \$1.8 million, we had written off only \$1,100 of bad accounts. We recovered \$600 of accounts written off, with a net loss on accounts amounting to \$500.

With an absolute cash or no service policy, we may not have had any bad accounts to write off. However, neither would we have grown to our present status, nor would we have developed through sound policy information and persuasion the degree of membership support and confidence that is manifested here. Yes, a membership relations program is good business.

I have taken the liberty of referring to the subject of accounts receivable in this manner, because it reflects, to a considerable degree, the nature of member participation and because accounts receivable among service and supply cooperatives is a factor so closely related to the universal problem of lack of operating capital.

Membership Development

We believe that a sound membership relations program is good business, because:

It develops members who will be competent molders of cooperative policy. This is to assume that fundamental to democratic operation of a cooperative is the obligation to take to the membership all matters of major policy for their consideration and approval. Members control with their votes. Directors and management initiate the action.

It develops effectiveness on the part of members in dealing with their responsibilities in promoting and defending the cooperative. It gives them information tools with which to work.

It develops a favorable climate of understanding between members, employees and directors. No group can operate well in a vacuum, least of all the membership.

It can develop recognition among members and employees of each one's responsibilities or functions in expediting the purpose of the cooperative. It develops an attitude and a realization among members that their cooperative, as a business entity, is an asset to the community and its economy. It is a part of the private enterprise system.

It develops a member's confidence in his cooperative. Confidence is enhanced through good membership relations. It is difficult for us to acknowledge our mistakes and our faults, but doing this, in addition to claiming credit for our virtues, will build membership confidence.

It will help to develop a progressive attitude among members and to establish the important principle that the cooperative can be no stronger than the sum of its individual members. A membership relations program will deal with change as it becomes necessary to change, will stress progressiveness on the part of the individual member as well as the cooperative itself, and will recognize programs to be developed in the interest of the membership.

It develops the realization on the part of the member that he is an owner of, and a controller of, the cooperative business. People do not concern themselves a great deal about most things, unless they realize that those things have a direct relationship to their daily lives.

It develops understanding, loyalty, and competence among directors, manager and employees. The functions of all three groups are involved in the sound membership relations program. How can any membership relations program succeed

without having had due consideration on the part of directors and successful expediting on the part of management and employees. It should be remembered, however, that employees are expeditors of service, not makers of policy.

Members' Attention to Their Cooperative

Each of us knows some farmer whose buildings are well painted, whose machinery is well cared for and under the shed, and who destroys the weeds and keeps things neat. This farmer will work diligently on a seemingly unproductive piece of land to make it more productive. He does not leave it to lie idle; he wants it to produce. He will get out of bed at midnight to attend to a sick animal. He will stay with it for hours if need be. He will keep good records of his business, and he has never been known to miss punctual milking of his herd night and morning.

Yet, this same farmer may concern himself very little about the operations of his cooperative. He may shift his business on a temporary nickel or a dime per hundred pounds of milk. You can't get him to attend the cooperative annual meeting. He may fall for some fast sales pitch offered by a competitor.

Why the difference between his attention to his farming operations in contrast with his business at the cooperative? The answer is relatively simple. He knows that the buildings, the land, the crops and the livestock are his. He realizes that maintaining them is his responsibility and that he and his family are the sole and direct beneficiaries of returns from these efforts.

It has not yet registered with him that the same relationship exists between him and his cooperative, whether it is the service and supply department of his farm operations, the marketing department of his farming business, or his cooperative credit system. As his interest is awakened through a good membership relations program he will exhibit as keen an interest in, and concern for, the successful functioning of his cooperative as he will for the operation of his farm. Thomas Jefferson said, "Any nation that expects to be both ignorant and free is expecting something that never was and never will be." This applies to cooperative membership as well.

A membership relations program requires continuous and unending effort. The support, consent, enthusiasm, participation, and confidence of cooperative members must never be taken for granted. Never underestimate the intelligence of the members; never overestimate their information and knowledge.

Evidence at Our Last Series of County (District) Annual Meetings

There were 298 delegates elected by the members in attendance at 28 county meetings -- 296 of them voted at the annual meeting in the election of directors. That's 99.33 percent member representation at the annual meeting.

All aspects of successful operation of the cooperative will have a bearing on the membership relations program. Such activities and media as membership meetings, rallies, radio program, direct personal contact, television programs, newspaper stories, newsletter or publication, membership surveys, committee

activities, and recognizing results on members' farms are a part of the member relations program and affect the attitude of members toward the cooperative. The more we involve member participation in these functions the broader the base of membership understanding.

To me a cooperative will be serving a real economic need and will be most successful, and the membership relations program most fruitful, when the members of the cooperative are motivated mainly by their own economic interests, rather than existing as a society loosely held together by other types of pressure. We should not hold an umbrella over inefficient operation; neither should we exploit membership loyalty as a substitute for sound management.

We need growth in cooperatives. In growing larger in order to get better, we must be careful not to let growth in members outstrip growth in membership understanding.

No Substitute for Performance

We do not expect our membership relations program to be a substitute for sound and effective performance. A member of our organization, through adoption of sound principles of dairy herd management and improved quality of his dairy herd obtained through cooperative breeding service, finds himself in a position where his herd now produces a ton more milk per cow per year. At \$3 a hundred-weight his return on increased yield from 50 cows is \$3,000. In addition to the added income through increased efficiency of production, he turned to his cooperative and in one afternoon, in merchandising 21 good-quality Holstein heifers for dairy purposes, realized \$30 a head, or \$630 more than the best offer from a local independent dealer.

We have fulfilled our obligation on economic performance in the best interest of this member, and in the process of doing so, we have enhanced our member relations program. Failure of the cooperative to perform satisfactorily would relegate our membership relations program to nothing short of a propaganda show, attempting to substitute propaganda and exploitation of member loyalty for performance.

Public Relations Related

Related to successful membership relations is good public relations. For example, unsolicited on our part, metropolitan newspapers in our service area recently carried editorials commending our cooperative, its purposes and the results it obtains. They editorialized favorably on the impact of our cooperative's program upon the dairy economy of the 29 counties in which we operate. This cooperative service business was cited as a prime example of agricultural self help and its place in the private enterprise system was recognized. This type of recognition by our city cousins and favorable editorializing by newspapers who know about our program has a salutary effect upon membership relations.

Stick to Principles

Taking what appears to be, for the moment, the easy road and engaging in a policy of expediency may, for a short time, appear successful membership relations and good business. However, doing what it appears the members prefer to do, rather than what they should do, is not good business. Even though the


job is tougher, establishing sound philosophy and operating policies will, in the end, be the best business. For example, plowing earnings into operating capital and expansion may be needed badly, but a real job of education, through membership relations, is essential to getting this done and it should be done with the members knowing why they are participating in the approval of such policy.

A sound membership relations program will aid in member acceptance of basically sound policies and procedures thereby making it less necessary and tempting to emulate the practices of competitors. We stress that members, directors, managers and employees are closely connected.

Having come from just an idea 19 years ago to a cooperative service business today with a membership of 28,172, total assets of \$1,263,000, a ratio of current assets to current liabilities of 3.5 to 1, a net worth of \$1,046,500 and 188 devoted employees, plus a profound impact upon the dairy business of our service area, gives us some degree of claim that good membership relations is good business. We have a slogan in our organization, "Treat every member as though he's the only one we have." With that approach, any cooperative can demonstrate that a good membership relations program is good business.

Panel Discussion -- How to Key a Member Relations
Program into the Cooperative Operations Program

How We Do It

 Norman L. Peterson

We feel in the Michigan Milk Producers' Association that our members must be well informed about the activities of their association. We also feel that they must know they are the owners, if they are to accept responsibility for its success or failures.

Our program for developing better membership relations is as follows: (1) An honest, frank relating of truth to members, (2) presenting our problems so that members may help solve them, (3) having members vote -- having policies for them to decide, and (4) planning some research into new services each year.


Our attempts to better inform our members are accomplished by the following vehicles: (1) Our membership publication, (2) letters to members from our president, (3) radio, (4) newsletters to our local officers and delegates -- some 700 in number, and (5) newsletter to contract milk haulers.

We feel that our meetings should be working meetings. Our members are there to be informed and to decide issues. The following is the variety of meetings we have: (1) Membership meetings, (2) committee meetings, (3) delegate meetings, (4) meetings with contract milk haulers, (5) 4-H and other youth groups, and (6) extension groups.

We feel that these means of contact with members are of great value and less expensive than some others might be. We do feel, however, that the greatest

gains in membership relations are through direct personal contact by our officers, field staff, milk haulers, and others who are impressed with what we are trying to do.

People follow those who are capable, honest, and enthusiastic.

 Donald Lehtinen

Line functions in CCI are performed by two operating divisions under the supervision of our general manager. These two line divisions are:

1. Distribution division
2. Area services division

Our public relations division serves in a staff capacity to the two line divisions.

Within the CCI public relations division are two departments:

1. Publications department -- responsible for all printed material.
2. Member services department -- works with people.

Our CCI member services department works on the following activities:

1. Local member meetings -- aids local associations to conduct member meetings and build attendance.
2. Increase membership in locals -- aids programs of distribution division and area services division to plan new cooperative expansion and growth.
3. Local relations -- builds good public relations for new supermarkets prior to opening. Makes area surveys assisted by member volunteers. Assists investment drives planned by area services division.
4. Scholarship contest -- encourages entrants from local schools. Sends literature to contestants. Sends cooperative literature to school libraries.
5. Educational materials -- keeps file of films, literature, and visual aids to send to schools and local cooperatives on request.
6. Auxiliary groups -- our Womens' Guild organization carries on taste-testing studies of cooperative products to aid the distribution division. Provides help in children's summer camps. Helps in community relations activities. Forms advisory councils in local supermarkets to aid management and board members by providing suggestions and ideas for improving cooperative service.
7. Counter anti-cooperative activities -- cooperates with savings and loan associations, credit unions, and other cooperative and mutual groups by forming committees to be available to combat anti-cooperative action.
8. CCI meetings -- the member services department is responsible for planning publicity, and arranging district meetings and CCI annual meetings, including calling together the nominating committee elected at CCI district meetings prior to the annual meeting.

 Wallace Miller

If members are made to understand that their cooperative belongs to them and they are getting the best kind of service, they are going to help and support their cooperative.

The right kind of salaried people are the ones who must really do the member relations job as they are the people who meet with the boards, the committees, and the members.

We found pancake dinners helpful in bringing out new members and new prospects in our cooperative.

Editors note: Due to shortage of time, Mr. Miller was unable to present the statement he had prepared. He did comment briefly on the points listed above.



Robert M. Dolan

In a revitalized program that began in the fall of 1956, CUNA launched a series of programs. Based on advice of the Credit Union Leagues that make up the Credit Union National Association, these programs were devised for action through the same member leagues.

The illustrations are based on the following premises:

1. You must have members in order to have relations with them.
2. The best relations come from rendering credit union service according to the member's need, when he needs it, and the way he needs it.

These are examples of present CUNA programs:

1. Operation impact kit, an organized way for the local credit union board of directors to rediscover their obligation and opportunity to achieve the credit union potential in terms of members and services.
2. Blueprint for progress kit, a method for groups of credit union boards to chart their progress and measure results.
3. Family financial counseling, a service that can rank with adequate loan and saving services of credit unions.
4. Low-income group demonstrations, a deliberate effort to discover practical ways of reaching those who need credit union services most.

With the explosion in living standards that is revolutionizing the lives of people everywhere in the world, we feel like Alice in Wonderland, that is, we must run as fast as we can just to stand still.

HOW CAN WE MOTIVATE MEMBERS?

How We Get Them to Meetings




Arlo Wasson

The success of any meeting can be assured if 90 percent of your efforts are spent in planning the meeting. Only 10 percent is really needed to actually put the meeting on. Involve lots and lots of people in its planning and execution.

Don't be afraid to try new ways of doing a routine detail or some part of the program.

If, at the close of each meeting those attending feel: (1) that they learned something new, (2) they were made to feel a part of the meeting, (3) that they got a laugh in some place during the meeting, and (4) that they made at least one or two new acquaintances, then to them the meeting was a good one. When asked to attend future meetings, their attitude will be one of eager anticipation.

 Thomas F. Ellerbe, Jr.

It has often been truthfully said the cooperators are the "meetingest" people in the world. This is indisputedly true as any so-called "co-op widow" -- that is, wife of a co-op employee -- can easily attest.

In spite of the great number of co-op meetings of varying size and quality held in a year's time, without question the annual meeting is the most significant -- and most important. It is certainly not necessary for me to outline to this audience why the annual meeting is so important. But, how to get "them" -- the patrons, stockholders, the public, yes, even the employees -- to attend is a different matter.

There is no magic formula, but there are a few rules that can and do work. In my opinion, the best attended annual meeting is usually the one that is held a year after a really good meeting -- one that is talked about long after it is held, because you still can't beat success as the best "seller."

First, it is necessary to plan an adequate and interesting program. Some of the requirements for a good annual meeting program -- one worthy of attendance -- are: Have a competent chairman, start on time and keep on time, have a short but factual business report -- avoid "figureitis," encourage audience participation in discussions, use movies, slides or other visual aids where possible, consider having an "outside" speaker, break the meeting into several segments and have some type of entertainment between each part, plan to distribute cash refunds, interest checks, or stock retirements as part of the meeting, serve a good lunch after the meeting.

There are no doubt many more that could be added to this list, but these could be considered "minimum requirements."

An adequate program is essential if we want good attendance at annual meetings year after year. However, adequate meeting facilities -- often neglected in the planning process -- are also essential to good attendance.

Even the best of programs suffers if the meeting is held, as they often are, in cold, drafty, poorly lighted, over-crowded rooms, with the hardest, dirtiest, and most splintery benches for miles around. In other words, a convenient and comfortable meeting place is a necessity for continued meeting attendance.

Last, but of course not the least, is adequate planning and publicity. Publicity, however, is no substitute for an adequate program. Here are some of the essentials for planning and publicity.

Pick a date that you can have exclusively. Attendance is often killed by picking the high school graduation day, or the day of a big church celebration, a wedding or the day of the winter's biggest snow storm. Avoid these if possible.

Tell people about the meeting; the legal notice is certainly not enough, although it satisfies the law.

Put posters in the co-op's windows, on the truck, or any other prominent place.

Build up a "door" prize awards.

Put several ads in the local newspaper.

Buy "spot" radio announcements, if possible.

Send a special letter to the members.

Use envelop stuffers with the monthly billing, if you're not on a cash basis.

Get the directors and employees to "talk it up." Have them ask at every opportunity: "Are you coming to the big meeting?"


Generally build up interest and enthusiasm for attendance through personal contact wherever possible.

Then, after the meeting, get some feature coverage in the local newspaper. Create a desire from those who didn't come to be sure not to miss it next year.

In summary, good attendance at annual meetings depends on: A good program, adequate facilities, and planning and publicity.

If careful attention is paid to these elements, any cooperative -- large or small -- can have good attendance year after year.

How We Get Them To Take Part in Meetings

 B. F. Ihlenfeldt

One of the most fundamental steps we have ever taken in connection with our annual meeting was 10 years ago. Our organization is 25 years old and we had conducted many annual meetings but it was not until 10 years ago that we finally decided to put in writing the purpose and the objectives of our annual meeting, the elements needed to implement these, and what the desired results were that we wanted to attain from an annual meeting.

This, although seemingly very simple, was fundamental and had a basic effect in redirecting the planning and administration of our annual meeting, in incorporating new elements in the program and, overall, in making our annual meeting considerably more successful.

As you know, the Mutual Service Insurance Companies are owned and controlled by policyowners through their cooperatives, credit unions, and township mutuals in their operating area. There are nearly 600 cooperative organizations which, on the basis of one organization, one vote, establish overall operating policy and elect the Mutual Service directors. As in any cooperative institution, it is of utmost importance that the membership participation and direction of the organization be an active and effective one. This is vital to the growth, progress, and future of our cooperative enterprises.

This is what we said 10 years ago about our annual meeting and it remains essentially the same today:

The purpose of our annual meeting is to carry out the essential membership participation and democratic control functions of a mutual enterprise in accordance with cooperative principles.

The objective of our annual meeting is to aid delegates and policyowners in effectively discharging their government responsibility; to give them information, participation, and inspiration which will enhance their understanding of the purpose, objectives, accomplishments, and programs of Mutual Service.

The elements we use for implementing this purpose and objective are (1) government -- through managers and directors accounting for their stewardship, nominating committee and review committee reports, election of directors, and review and determination of organizational policy; (2) information -- through reviewing operating results, trends, plans, services performed, and printed reports, displays, and policyowner service; (3) participation -- through business session, panel discussion, annual meeting committees, and resolutions; and (4) inspiration -- through identifying Mutual Service accomplishments with participants' efforts, showing how original objectives are being carried out, raising participants' sights for greater social and economic goals, and providing entertainment and fellowship.

Results desired from our annual meetings -- as expressed in our 1959 program -- are (1) that the objectives of ownership participation, direction, and control are attained to the fullest possible extent; (2) that participants gain understanding that organization is vital to cooperative welfare, offers superior service at less cost, and is progressive, sound, and growing; (3) that the quality of leadership and teamwork of management personnel is reflected in the conduct of the meeting; (4) that the quality of the meeting program is such as to attract publicity and create a favorable climate with the general public and co-op groups; (5) that participants are inspired to take positive action in local communities to help build the Mutual Service program; and (6) that the association commemorate the first quarter century of Mutual Service.

We have found it essential, also, to break the annual meeting activity into various functions and to appoint a committee from among our personnel to be in charge of each of these functions together with specific instructions and work outlines. This, too, has contributed materially to improvement. It involves from 45 to 50 people who participate in planning months ahead of the meeting and who are thoroughly familiar with their individual responsibilities during its course.

One of the highlights of our annual meeting event is our management panel discussion. We plan to have our Mutual Service board chairman, treasurer, and president give their reports on the forenoon of our annual meeting. These constitute all of the key management reports and give the delegates the detailed information on the past year's operation and the plans and programs that management has for the future.

During the noon hour the official delegates have lunch in a room by themselves and are seated at round tables with eight to each table. One staff person is assigned to every three tables to help every table select a chairman and a secretary. The loud-speaker is used to inform the group that during the luncheon they are to formulate questions for the board and the manager to discuss as a panel in the afternoon. Each table is asked to indicate which three of the questions they consider most important. At the end of the luncheon the questions from each table are collected.

When the afternoon session starts, all the officers and the chairman of the board are seated at the head table as a panel, and the president acts as moderator. The questions developed during the luncheon period are then discussed. Additional questions from the floor can be raised and delegates can also comment on the answers given by the members of the management panel.

We have used this element of delegate participation in our meeting for a number of years. We feel that it is one of the outstanding highlights of our meeting. No questions are barred. However, in 2½ hours we have never been able to answer all the questions. Key questions that we did not get to are answered by mail, which is sent to the secretary and the chairman of the table at which the question was formulated.

This past year we invited our member cooperatives to send questions in for the panel before the meeting. This did not prove very successful. The delegates must get the management reports in order to formulate intelligent and overall policy questions. The process of having these questions discussed by small groups and decided upon by those groups serves in developing overall policy and fundamentally important questions. This method has certainly proven the most effective delegate participation program that we have been able to devise in the Mutual Service Insurance Companies.

How to get them to take part in meetings has always been and likely always will be a problem in conducting annual meetings. Generally speaking we take cooperative membership more or less for granted and too often we don't appreciate the need for motivation before we attempt to do something.

Motivation for membership participation should be the highlight of the thinking program of every manager, every employee, and every director. The real trick is getting them motivated or in the correct attitude to want to take part. People do a wonderful job once they are motivated.

Too many cooperatives are suffering from a senility that I call "co-opatrophly." After the flush enthusiasm that built the cooperative wears off and its service becomes routine -- when the cooperative is taken more or less for granted -- co-opatrophly sets in.

Co-opatrophly is a state of cooperative decomposition -- with no feeling of responsibility and no call to be interested. With it the cooperative is losing its soul. Its light is going out and its spirit is dying.

We can render first aid with a good annual meeting which can be a tonic for membership and a shot in the arm for manager, officers, directors and staff. Make it a membership day, when the owners of the cooperative business are the honored guests.

I shall list some of the methods which do produce desirable participation. First of all, I feel that it is the duty of members of boards of directors to be missionaries for the cooperative at all times. Board members are often weak in this regard. They owe it to their membership to get up on their feet and start off the discussion -- at least if it drags from normal voluntary procedure.

These men -- knowing that a certain subject or problem needs exploration and also knowing some of the background of the subject -- can do much to bring neighbors into discussion. A director might even ask a neighbor at the meeting, "John, what is your opinion on this?"

A director's duty does not end when he leaves the board meeting. He should be so informed by the manager.

An excellent way to get member participation is to give them each a job. There are several ways to accomplish this. The manager, board members, and key employees can be assigned to call on key individuals to discuss with them some of the problems which should come up for consideration and ask them to give their opinion at the meeting. Try to get a promise from such individuals that they will stand up at the meeting and give their suggestions.

These key individuals can give a lot of light to the uninformed member who too often is reluctant to get up on his feet to discuss a problem.

Another procedure is to pick a few of these key individuals to ask questions about procedures or phases of operation which they themselves are well informed on. But on the pretense of seeking information for themselves from the manager and the directors, they can bring out answers to questions and problems on the minds of many of the membership.

Another procedure that works is to send out a notice to patrons in advance of the meeting saying that this or that subject or phase of operation will come up for consideration at the meeting and asking that the membership give it some thought and come to the meeting prepared to give their opinions. By this procedure some discussion will have taken place out in the membership area before the time of the meeting. And more than likely some one will be designated from various areas to take the floor to discuss the subject in question.


Still another one that works is to inform the membership at the time the notice of the annual meeting is mailed out that a question box will be provided for them to place questions in which they wish to have answered. Inform them that a panel of patrons and officers will be on hand at the meeting to answer these questions. When the members arrive at the meeting, hand out a pencil (advertising pencil with the co-op's name on it) and a 3-by 5-inch card to each member, and ask him to write his question or problem on the card and drop it into the box. Set aside a definite period of time at the meeting to answer these questions. In passing I mention that the really hot question coming from a trouble maker or rabble rouser can be completely ignored, if it appears to have been listed merely to cause trouble.

Still another is to use committees of members to perform certain duties at meetings -- duties such as registration, reception, ushering, giving out door prizes, helping to serve lunch, and helping pass out programs.

Then, too, I am inclined to think that every organization might initiate or establish a listening campaign out in the area of the membership if the right people are asked to participate as listening posts and bring back problems at the annual meeting in the form of questions, a lot of ground can be gained or cleared at the place where it should be cleared.

Such problems might even be brought by the listeners to the attention of the manager and the directors before the time of the meeting so these officials could prepare themselves for any possible problem, or conflicting interest, or bone of contention.

How We Motivate Our Member Associations


 Kenneth Holum

The soul searching I did for two months in thinking about what I would say on this subject has been good for me.

Among other things, I came to some conclusions on the direction we should take -- that we should go to a broader point of view, should provide some relationships to our social and economic structure, instill a feeling of loyalty for worthwhile accomplishments, and use basic cooperative philosophy to set our own houses in order.

Certainly our most important problem is with our members and the youth who will be our future members. Thus, if our time and funds are limited, we should work with them rather than the general public.

Editors note: Due to shortage of time, Mr. Holum was unable to present his entire prepared statement. He did comment briefly on the points summarized above.

 Harvey Schermerhorn

Comprising the member associations of Wisconsin Electric Cooperative are two specific groups -- rural electric cooperatives and rural telephone cooperatives. The role we play as the central organization of rural telephone cooperatives has yet to reach that degree of service and assistance to which they are entitled, but which we eventually must provide.

For the past 23 years, however, we have performed in the role of central organization of the rural electric cooperatives of Wisconsin. Our present membership of rural electrics includes all 29 systems in Wisconsin and 85 member systems in 9 Midwest States. We also serve a total of some 300 patron cooperatives nationwide.

The conditions under which we organized and operated through the 1930's and 1940's provided the motivations which were then inspired by the simple expediency of self-preservation -- by humanly selfish needs and ambitions, if you please. It did not require much effort on our part to motivate farm folks who were then begging for a power line to be built close enough to their premises to provide electric service. Managers and boards of directors could be triggered into immediate action and allegiance back when line construction materials were being withheld or restricted, or both. Bus loads from the grass roots could be regimented into Madison by one telephone call to a co-op office, whenever proposed legislation threatened the initial electrification of one or more areas of our State.

Nationwide, electric cooperatives became hysterically subservient to Wisconsin Electric Cooperative back in 1949, when we asked to sign and assign our every economic and human resource to the task of breaking the aluminum conductor bottleneck here in America. Twenty-five thousand miles of poles were then up in the air throughout the country, without a foot of wire to string. Today, we are reminded of that great effort and its success by five short lines which recently appeared in the Ten Years Ago This Month column of our national magazine.

Believe me -- motivation is short-lived, when it stems from emotional and dramatic binges.

No, we did not hope or plan to survive that benevolent era on the strength of fast-fleeting laurels and acclaim. Wisconsin Electric Cooperative is managed and staffed by people with principle dedicated to hard core business operations -- tempered, of course, by the essential philosophies of dignity and brotherhood. And it is upon this foundation that we develop and administer hard-core motivations out among -- and I repeat -- out among our member associations.

Our every effort to motivate our member associations flares and flames from that fuel found only in "Educate constantly." We edit and mail our monthly and weekly publications to the membership, the directors, and the key personnel of our member associations. We are not known for use of weasel words, or for crying wolf in pursuit of loyalty or legislation.

We attend all meetings that bring together directors, managers, and management personnel. We motivate by motivating ourselves -- governed by the majority -- respectful always of the minority.

The day following our annual membership meeting we begin to plan and prepare for next year's, with great emphasis placed on programs for women. We have learned through the lean years and the fat years of our history that our people come into our annual meetings to work, and it behooves us to give them something to work on and for.

We feel, however, that we exert our greatest motivating force by taking our general manager, members of our executive committee, and our department heads once each year out into every State in which we have member associations. We conduct day-long meetings. Complete reports are given. Questions are asked. Complaints are dealt with. And into these meetings, in and out of Wisconsin, we project a sense of ownership and control.

How do we measure the results of this form of motivation? First, every succeeding year we register increasing attendance and we catch the spirit of far-reaching participation. And then, each year, as managers and directors of our member associations realize that they are truly exercising voice and building equity, we are further rewarded by an upward curve, not only in sales but in that closer bond of relationship which becomes the fabric of mutual aid and benefit.

How We Train Our Employees to Promote Good Member Relations



John W. Dysart

Many years ago, a friend who operated a cooperative filling station said to me, "John, two of your Land O' Lakes truck drivers were in here this morning and I got into an argument with them. They just didn't know anything about Land O' Lakes."

He said more which I do not remember. I must admit that my face was red and I was chagrined to say the least. Right there I determined that this should not happen again. It possibly could happen, but I have my doubts that at the present time you would find this situation existing.

We believe that our employee, who is meeting our members and the public every day, is the most important contact person we have whether he be a truck driver, plant manager, field serviceman, equipment repairman, farm serviceman, salesman, or a person working in a plant.

Shortly after that discussion with my friend, I made arrangements whereby several of our personnel started out to work with our employees situated at our various plants to train this personnel.


Meetings were held at all of our procurement branches -- this took place over a period of about a year. Our first aim was to appeal to the employee on the basis of his self-interest -- in other words, the insurance, hospitalization, and employee benefits which, of course, were of primary interest to him. Following this we presented the story of the development and growth of Land O' Lakes. In this presentation slides and bulletin material were used. In addition, each employee received a book entitled Men To Remember, which gave the history of the development of Land O' Lakes Creameries.

Since that first series of meetings, we have held followup meetings in our plants. Today we keep employees informed of various developments taking place. Our fieldmen and salesmen have meetings at which the very latest information regarding the company and company policy are given to them.

In our Minneapolis office, new employees are all given an orientation and indoctrination program. This may not be as complete as it should be, but we try to inform all of these employees regarding Land O' Lakes.

All employees are on the mailing list and receive the Land O' Lakes News, which helps them to keep informed of progress in the organization.

I do not claim that our method of doing this is the best or the ultimate, but it is the method we have used and it has seemed to serve our purpose.

 Seth Fisher

In Midland our training program has its roots in our overall Midland purpose and objective, which is primarily to provide its member cooperatives with service and quality products at cost. This means serving the member patron with his many needs. In order to do this job satisfactorily, there must then be training at many different levels in the organization.

Training in Midland is the job of every supervisor, department head, and representative of the management team. Our management policies are such that they encourage training. We believe that our employees are the most important persons

in our cooperatives, since they are the primary means of contact with the member patrons. The service they give will in a large measure determine the future growth of the cooperative. The information they are able to give to others about the cooperative is often instrumental in bringing in new members.

The appearance of the employee as well as the appearance of the facilities are likewise important in their appeals to the customer. The attitude, the personality and the enthusiasm of employees is important. All of these factors are emphasized in our Midland employee training program, and they all have a bearing on member relations.

The local managers of our member cooperatives meet monthly in each of our 13 districts. Their entire program is basically one of training. One hour or more at each meeting is devoted to a management development topic, the managers to determine their own program and run their own meetings. They work with Midland field personnel and staff for special assistance as needed. A considerable number of their programs are devoted to various phases of member relations work.

Directors also come in for their share of training in our program. Our field personnel meet and work with local boards of directors as need arises. Three times a year, director training conferences are held in each of our districts. Sometimes more than one meeting per district is held depending upon the nature of the topic. Many of these meetings discuss problems relating to member relations.

We also encourage our directors to attend conferences that are sponsored by our State associations and by the agricultural colleges in our region. Periodically we mail to them special publications of the Farmer Cooperative Service, the American Institute of Cooperation, or the Cooperative League of the U.S.A. Our Midland Regional Board has led the way and set the pace for director training and development.

Each year we run one or more premanagement short courses of a week's duration to train potential managers for the field of management. Many of the sessions in this course deal with problems of member relations. Following the course, the trainees undergo an intensive on-the-job training program which likewise emphasizes his participation in member relations projects.

Within Midland, the regional would periodically run orientation programs for new employees. The employees are helped to understand that the regional is owned and controlled by the member cooperatives and their member patrons. They are made to realize that the regional exists primarily to serve member patrons of local cooperatives. We place strong emphasis on developing pride and enthusiasm in working with our members and try to set the proper example ourselves.

Communications receives considerable attention in our various programs. We realize that we aren't going to change anyone's behavior unless we communicate frequently and effectively with them. This is important whether it be in our person-to-person contacts or whether through a publication like our weekly Midland Cooperator. We have given short courses in how to properly use the telephone, letter writing, speaking, and listening -- as well as general secretarial training. In all of these, we have the welfare of our member patrons at heart.

In our training work, we place heavy emphasis on use of various types of visuals such as films, slide films, slides, turnover talks, charts, manuals, opaque projectors, and the overhead projector. Tours also have a prominent place in our program because we realize that people who see can understand better than if they are just told. Many of our annual meetings now draw names of member patrons to participate in a tour of their regional facilities. They do this in lieu of drawing for merchandise door prizes.

We feel that every group and activity within our Midland family of cooperatives offers an opportunity for training. In this we include our area managers, district managers, sales representatives, sales meetings, manager association meetings, conferences of manager associations, annual meetings, district meetings trade shows, Midland Cooperator, Midland Days, Round-up Days, displays and exhibits, preparation of manuals, tours, literature, films, advertising, commodity catalogs, radio, television programs, housekeeping, maintenance of equipment and facilities, and personal contact.

We think that people enjoy being part of an organization that is doing things and serving their needs. They are motivated because they are building together with their neighbors to help themselves. Our job in training is to further this motivation.

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The Impact of Integration and Growth on Cooperative Member Relations 2/

 Joseph G. Knapp

This meeting today is in response to the impact of integration on cooperative member relations. All of us have felt this impact either directly or indirectly. We are aware of it as a force that must be mastered by farmer cooperatives if it is not to master them.

This is good. Challenge makes strong individuals and strong institutions. If we meet this problem as we should, it will step up cooperative progress by leaps and bounds. Yesterday I was in the office of Skuli Rutford. He has a sign on the wall which says: "When the going gets tough, the tough get going."

This is the time for tough-minded men to get going.

We have had many important things said at this meeting. They give me confidence that we have the men with the understanding and character needed to build stronger cooperatives by using the forces of integration for the good of farmers and consumers.

2/ This speech was delivered at the dinner meeting of the second session, Thursday, May 14, 1959.

Cooperatives must keep the support of their members at this time, using every technique that will do the job. Members must understand what is going on, and it is your obligation as membership relations workers to help them see why they must support their cooperatives -- if their cooperatives are to adequately perform the tasks required of them.

One of my friends suggested that I stress this idea: That "Members today must stand up and be counted."

The present situation gives to members the greatest opportunity they have ever had. Why? They have the means to preserve the basic values of our free enterprise society.

There are many who feel that we have nothing to fear from integration. For example, Dr. Earl L. Butz, Dean of Agriculture, at Purdue University, recently gave a talk at the National Broiler Industry Conference, entitled, "Don't Be Afraid of Integration." (See Better Farming Methods, May 1959.) In this talk he said:

"The fact that an individual producer may surrender some of his managerial freedom and may transfer part of his risk-taking to someone else is really a very small price to pay for the advantages that flow out of an integrated system."

Later in the talk he said:

"Twenty years from now we'll look back on 1959 and be a little amused that we were so fearful of change rather than directing our energies toward channeling change down beneficial pathways."

He finished his talk by saying:

"Those who manage our agricultural production, processing, and distribution firms are challenged to give intelligent direction to the changes ahead so that our great food and fibre industry will function even better than now.

The future belongs to those who prepare for it."

There is a lot of good sense in these views but the emphasis and implications are not on what farmers may do but on what those who deal with farmers may do.

Farmers didn't really wake up as to what was going on until a year ago when Carroll Streeter asked the famous question in his Farm Journal article: "Who is Going to Control Farming?."

American farmers do not want to see their industry absorbed by American business. We see evidence on every hand that farmers are concerned with this possibility. This is evidenced by their renewed interest in farmer cooperatives. However, can cooperatives provide the leadership that can give them faith in the future? Farmers are disposed to work with cooperatives, but they want assurance that their cooperative is up on its toes and in position to help and protect them.

Can any other form of organization give farmers the benefits of integration without at the same time impairing their freedom?

the same

Let's let our imagination run on as to what integration could mean if the farmers do not integrate the cooperative way. Let's assume that farmers all decide to look out for themselves and make the best contracts they can. Eventually this would give the contractors the whip hand, and farmers would lose much of their bargaining power with contractors. Thus the farmers would become dependent on the firms who buy and sell their products. In fact, they would become so thoroughly integrated that they would be more like employees of the firms they deal with than like free agents. What would happen to American agriculture if we should cease to have independent farmers?

At the rate population is surging forward, we will not always have farm surpluses. At the present time we are obsessed with our present conditions. We are apt to make decisions based on the short run that will be hard to live with over the long run. Shouldn't we keep our eyes on the long run as well as the short run?

The danger of letting the short view dominate the long was well brought out in Jacob Viner's famous Presidential address to the American Economic Association in 1939, which he entitled, "The Short View and the Long in Economic Policy." He urged economists not to shift their thinking with every passing wind. In the excitement of the moment, many people have tended to overlook the long-run importance of cooperatives. They have come to the conclusion that farming is changing so rapidly that tested remedies will no longer work.

If they think more carefully they will see that in every single element in farming and marketing, cooperatives can be as efficient as any other forms of business organization.

If we keep our eyes on the long run, we will see that cooperatives are essential to the building up of the kind of rural society that we need. If we take only the short run approach, we may impair the services of the fine cooperatives we now enjoy and keep them from rendering the services that they might provide for us.

Cooperatives today need leaders with courage, imagination, and great ability -- men who can look into the future while working in the present.

There is much interest today over the country life program, and we are hearing a lot about the Rural Development Program. These are evidences of concern as to what is going on in American rural life.

Now to come back to the importance of membership education. Cooperatives must have a program that attracts support. They must get the integration ball and run with it. Above all, they must let members know of cooperative achievements so as to retain and build members' confidence in their cooperatives.

Cooperatives broke the hold of the big combines such as the line elevators in the early 1900's. Through cooperatives, farmers found a way to meet organization power with organization, and for the last 50 years they have been an important

countervailing force in our economic system. Cooperatives have proved that they could give farmers every advantage of integration in the past, and I see no reason why they cannot just as well do so in the future.

There is a difference between efficiency which is cold-blooded and that which is red-blooded. I think we can have efficiency which recognizes farmers as people. We hear today on every side that the family farm -- even the good-sized family farm -- is on the way out. I doubt this, but I do believe that many family farms would already have gone without cooperatives. I am also inclined to believe that the family farm will go if there are no cooperatives in the future, for the cooperative gives the independent farmer the advantages of large-scale operations in purchasing and marketing. Family farms and cooperatives are essential to each other and go hand in hand.

What kind of agriculture do we want to have in the future -- say, in 25 years? This question may seem rather academic to men over 50, but to the 25-year-olds it is a practical one. The pioneers who build our great cooperative organizations had a vision which sustained them. They thought that they were building associations that would serve their children and their grandchildren. They can be proud of their work. Have you read "Men to Remember," the story of how the Land O' Lakes Creameries was built? This book brings out my point.

If we have goals, we can work toward them and achieve them. If we don't have goals, we are rudderless. In recent years changes have come so fast that it is hard to keep goals ahead of results. There is danger that we will cease to think in terms of what might be because we have become so obsessed with what is.

Do we want to have an agriculture of prosperous farmers with farmers living on the land? Do we want to preserve an agriculture in the future that will build efficiently on the past? If so, what will we do to achieve it? Do we care whether farmers of the future make decisions or not? Do we care what happens to anybody in the future?

Fortunately for us, President Theodore Roosevelt became concerned with the problems of agriculture in the early 1900's, when it was clear that farming was not sharing progress with the rest of the nation. As a result of his interest the Country Life Commission was appointed to find out what was the matter with our agriculture. Sir Horace Plunkett gave him the slogan, "Better farming, better business, better living." The key to this was better business, and the better business was to be achieved through cooperative organizations.

Cooperatives have been challenged by a new idea -- or better -- an old idea adapted to modern conditions. Competitors took a leaf from the cooperative book -- the idea of the marketing contract -- and they have got the "contract" ball for the time being.

We talk a lot about pacesetting by cooperatives, but the competitors are doing, or have largely done, the pacesetting in contract integration -- or integration by contract. Fortunately, cooperatives in all fields are responding to the challenge.

Opponents of cooperatives have seen an opportunity to go to their jugular vein -- the appeal to the self-interest of farmers.

If cooperatives had been more up on their toes, they would have built stronger marketing and purchasing systems that would give little opportunity for contract integration to get started. In many places this is being proved.

However, as Ed Slettom said to me today, "There is too much apathy and indifference among cooperative members, directors, and even cooperative managers and employees. Cooperatives are now paying the price for this slackness which gives competing firms the openings they are looking for."

I am glad to say that many cooperatives are breaking down this apathy, but it takes incessant, intelligent work.

How do we attract young people to cooperatives if their dads are not sold on them or if their dads do not take a real interest in them? If their dads are for the cooperatives, the kids will probably be for them, too, after they think things over and settle down a bit.

If people get the idea that cooperatives are slipping, we can lose support fast. It is easy for rumors to give people the wrong impression. We must recoup the pacesetting reputation of cooperatives.

In this connection, I wonder if we are adequately aware of the pacesetting job that cooperatives are doing throughout the country. Do we really realize how much cooperatives are doing to sustain agriculture today? Are you membership experts getting this story over and thus building pride in grower organizations and in cooperation in general?

I believe in running scared once in a while. Things don't always work out for the best. The old Model T had to go, but it is important that Ford was ready with the Model A. Sometimes it takes grit and brains to hold on and bring things around. The present is a time like that.

Bob Dolan today told us how credit union leaders woke up in 1957. As a result, there is new life and vigor in the credit union movement. I asked Bob if this just happened. He replied that a few fellows had started work to bring this about a few years ago and finally broke through.

When the cooperative idea is harnessed to first class business management and operation, it will really take hold. I think there is really much to this point. There would not be so much opposition to cooperatives if they were not a promising type of business.

Several years ago, the vice-president of one of our greatest corporations gave a talk to our staff. During his talk he said: "The cooperative idea is so good I don't see why it hasn't gone further."

Cooperative people must keep their perspective. They must remember what has been achieved. They must look at their great assets as well as their liabilities.

I remember working with cooperatives in this area early in 1925 before Midland, Farmers Union Central Exchange, the Grain Terminal Association, and several other prominent organizations here represented, were even formed. Think how much we have learned in how to deal with members in the past 30 years -- or even today in the last 10 hours for that matter. This is enough to give us confidence in the future. We have great and powerful tools to work with, if we will only use them.

I think that what we need more than anything else now in cooperative leadership circles is awareness of strength. This will give confidence in the ability of cooperatives to master the problems ahead.

So -- while I'll admit that the problems of today are frustrating, I don't believe that the opportunities for cooperative development were ever greater or the stakes for cooperative success ever higher.


SESSION III

Friday Morning, May 15, 1959

Chairman: Arne Johnson

MOTIVATING YOUTH -- MOTIVATING FARM WOMEN

Motivating Youth Through Contests

 Ralph M. Cooper

To set the stage for the discussion this morning, I would like to read a quotation from a speech made at the last AIC meeting by Alyce W. Lowrie, Youth Education Director of the California Council of Farmer Cooperatives:

YOUTH HOLDS THE KEY

"For youth indeed holds the key -- the key to our survival, our growth, our continuity -- economically, politically, socially, institutionally. We know that our government, our social and religious institutions, the whole economy of our future decades will rest upon the judgment, the ability and intelligence, the faith and vision of the young people attending our high schools, colleges, and universities today. In their hands they hold the destiny of America, and all that Americans have dreamed and planned and executed. It is a solemn thought and a challenging one for your generation and for mine."

Cooperative organizations across the country realize more than ever before the necessity for educating young men and women in the purposes, principles, and operations of cooperatives. To make better future members, cooperatives have put to work a number of different kinds of youth programs.

Motivating through contests appears as stimulating today as it ever has been. We read about stuffing a telephone booth with the most possible bodies or seeing how many people can ride in a Volkswagon. One of the newest crazes among college students in London is a contest to see who can ride a power lawn mower the greatest distance.

Activities sponsored by cooperative organizations and State cooperative educational agencies are a useful device for stimulating student interest in farmer cooperatives. Among such activities are quiz contests, public speaking contests, writing contests, and leadership award activities.

Sometimes I hesitate to use the term contest in promoting youth programs for cooperatives. To me the word contest means a struggle for superiority rather than an achievement. Perhaps the reason that people are motivated to enter a

contest type of youth program is that the winner is publicized as being superior. If by winning a contest there has been an achievement, it will have been worthwhile. But, too often, contests are like the old medical adage, "The operation was a success but the patient died." It is important to remember that contest or incentive programs form only a small part of the total program of instruction and are used mainly to stimulate student interest in cooperatives.

This is the ninth consecutive year the Wisconsin Council of Agriculture Cooperative sponsored a Cooperative Leadership Award for FFA Chapters. This award is designed to give recognition to FFA Chapters for accomplishments in cooperative activities. The program is recognition on a chapter basis, to those chapters which have carried on an outstanding program in teaching cooperatives and using cooperatives in their vocational agriculture classes. I like to think of this award as a reward for a job well done other than a contest. Most State Councils have a similar program, but briefly this is the mechanics of the Wisconsin leadership award on cooperation.

Each chapter submitting a complete report before May 15 will be provided with a suitable certificate of recognition. This certificate will be presented at the State FFA Convention. From the reports received, five chapters will be selected on the basis of accomplishment and will be invited to send representatives to participate in the program of the annual meeting of the Wisconsin Council of Agriculture Cooperative held at Madison during October. One chapter from the selected group will be invited to designate two of its members and an advisor to attend the annual convention of the American Institute of Cooperation. The sum of \$100 will be provided by the Wisconsin Council of Agriculture Cooperative to be applied toward the expense incurred by these members and their advisor. The chapter winning the State award is the State's entry for the Institute's FFA Leadership Award.

An entry blank on which a minimum of essential data covering chapter cooperative accomplishments is used for making a chapter selection. In addition several other cooperative awards will be determined from information on this same blank. An example is "Midland Chapter selections" to be made in Midland areas, and the Land O'Lakes District 25 Award.

Those receiving the greatest benefit from winning an award or contest are those who actually participate. If a boy wins a trip, it gives him a sense of achievement and often encourages him to choose a vocation related to agriculture or more specifically related to cooperatives.

If contests will motivate youth who want to learn more, then they have met the basic objectives of all youth programs.

Delbert S. Burns

When the topic of motivating youth through local association programs was assigned to me, it left me with a question in mind: What could I bring to this conference, from a local cooperative level, that would be of interest to this group?

I decided to discuss the activities of our junior board of directors, using the following outline: Reason for junior board, how the board is chosen, how it operates and develops leadership.

Reason for Junior Board

We sponsor the junior board to promote a better understanding among our youth of cooperatives and how they function as businesses. This board was promoted by the agricultural instructors of our high schools and the county agricultural agent's office. It took quite some time and a lot of planning.

How Board Is Chosen

We have had a junior board of directors since 1953. The membership of our cooperative voted at the annual meeting in March 1953 instructing the board of directors to choose a junior board with the help of the FFA advisors of the schools in the area which Cloverbelt serves. We had two directors the first year and three the second year and since that time the board has been expanded to four. These boys represent the schools in the Wausau area and the area east of Wausau, going out about 40 miles.

We are inviting two more schools to participate with the group this fall. This will give each high school in our area a representative on our board if they so wish. The directors for the most part are chosen by the students, and up to this time, we have had high caliber boys. These boys have to be leaders in their class and are usually juniors. Only one school sends a senior boy. Their term of office is for 1 year, and runs from September 1 to August 31 of each year. These boys usually have proven they have some leadership ability, and some are honor students. Through the FFA advisor they must express interest to some degree in cooperatives.

How It Operates and Develops Leadership

The junior board is notified of each Cloverbelt board of director meeting by letter. At the first meeting he attends, our president explains the functions of the board of directors of Cloverbelt. He explains the board's responsibilities and authority, how it operates, and gives a brief explanation of the articles and bylaws. He invites the junior board to read them if they wish. He also gives a brief explanation of how management operates, its responsibility to the board, and so on.

The junior board is then invited to participate in the entire meeting except they have no vote. They listen to the reading of the minutes and the financial and operating statement, and are asked to join in the discussion, ask any questions they might have, and make any comments they so wish.

In most cases the boys stay for the entire meeting, and after the second meeting they usually take an active part in the discussion. The only time they do not take part in the entire meeting, is when there is something of strictly confidential nature, that must be discussed solely by the board. If this should happen, the item is scheduled for the latter part of the meeting. The president explains this to the boys before they are asked to leave the meeting.

In discussing the operation we explain the progress made on various programs such as: Budgeting by departments -- its progress, production per man, planning of programs, revolving of stock, and patron credit -- financing.

Each junior board member is invited to attend meetings such as Midland's annual meeting, Mutual Service Insurance Co. meeting, Wausau Association of Cooperatives. Each delegate must then report back to the board on the meeting he attends. After each board meeting, each boy must give a detailed report to his class on the progress of our cooperative. He gives this orally before the entire class. This past winter one of the junior directors has had the privilege of teaching the American Problems class in his school. He got in a debate on cooperatives and how they function, won the argument, and was invited in to instruct the class. He told the membership at the annual meeting that without the information he received as a junior board member, he could not have won the debate.

We have one boy, who along with three others, won the State Regional FFA award and then went on to attend the American Institute of Cooperation Convention in Pennsylvania last year. I believe that our cooperative is the only business in Wausau that offers youth the opportunity to take an active part in studying operations. It gives them firsthand knowledge of how our cooperative operates from the membership to the board of directors, the management, and employees. To give you an idea of the wide variety of student backgrounds among those who are reached, we have one boy now whose father is, I believe, a vice-president of a large cheese concern. We have another whose father was the owner of a small foundry. Another is at present an employee of ours.

We have another boy who went on to win the State FFA speaking contest at Green Lake, Wis.

In nearly all cases each boy, because of his participation in this program, has been able to go back to school and help his fellow students to better understand cooperatives. We believe this will also help the instructors to have a better knowledge of cooperatives. They understand how cooperatives operate as a business, and how people working together can benefit themselves and the community they live in.

Edward E. Slettom

Basic to this discussion must be an awareness of the "public status" of public agencies which have supervision over youth programs. Public agencies are supported by all competing groups of businesses in this country. A public official must constantly bear this fact in mind as programs are developed and administered.

I am sure that we have at one time or another taken note of the thousands of professional workers in public agencies engaged in youth education, and speculated upon the tremendous potential assistance existing which we would hope could be made available in motivating youth to learn more about cooperatives.

Yet I'm sure we have also recognized that ours isn't the only area in the total field of education needing attention, and therefore our approach must be one which is reasonable and one which can be fundamentally justified.

Assuming this attitude is a first step in helping public agencies to help us.

Secondly, what we propose must be educationally sound. The approach of the American Institute of Cooperation in recognizing cooperatives as one of four ways of doing business in America suggests that to be a well-informed high school or college graduate, one should know these four methods and have a rather basic understanding of their similarities and differences. This is not asking too much. It is merely recognizing our total community and learning to adjust to it. Well-informed educators and administrators of public agencies are impressed with this approach.

Third, we must develop confidence on the part of public agencies as to our objective and purpose. This entails clear explanation of programs and policies, proper understanding, and a host of intangibles. Such confidence is possible through actual demonstration.

We have been indeed fortunate in Minnesota to have built a broad base of understanding over a period of years. Personal friendships and frequent contacts with professional youth leaders in various programs have helped to cement good working relationships.

One of the very fine examples we can point to is our Statewide Cooperative Conference for youth. This year we will be holding our fifth such conference. If we have similar attendance to that of past years, we will reach 750 youth with a 2-day educational experience devoted to cooperatives. Over the years, participation in the American Institute of Cooperation Youth Conference has resulted in life-long interest in cooperatives on the part of participants.

These programs would not be the success they are if it were not for the help of the public agencies involved. The programs have not been isolated units of

instruction but have become an integral part of the educational programs of these public agencies.

As cooperatives we have helped these agencies to help us by pointing up the needs, mobilizing support from our own people, and inviting the agencies involved to sit down with us and plan a program which they could accept and extend help to without upsetting their total public responsibility.

We have not taken this cooperation for granted. Each year we have contacted the chief administrator in the State Department of Education outlining the overall plan. The same has been true for the director of the agricultural extension program. Once this permission has been received, contacts have followed with personnel directly involved. These folks have been invited as members of the program planning committee to meet with our cooperatives in shaping the youth conference. They will also assist with securing attendance of youth to the conference by alerting field personnel about the conference.

In the case of our scheduled busload of youth for the 1959 AIC meeting at Urbana, Ill., we have received confirmation of the public agencies' support. A quota of 34 has been determined, 17 being supplied by the agricultural extension service and 17 by the State Department of Education. The 4-H, RY, FFA, and FHA groups will also provide leadership and supervision during the trip and the conference, and assist in many ways with the administration of this project.

It is safe to say that in many instances it is the indifference and apathy cooperatives have in reaching young people which limits our effectiveness in reaching youth. The public agencies for the most part are ready and willing to help us reach youth with a cooperative education program if we know what we want, allow their participation in the planning and supervision, stick to education, and be reasonable in our requests.

Our Women's Page

 Willis A. Selden

Midland Cooperator began publishing items of interest to women back about 1940. No one is still on the staff who was around at that time, but we presume it had to do with the addition of groceries by Midland, and the discovery that someone in addition to the farmer-husband bought things.

Gradually this evolved into a full-fledged women's page in the mid-1940's, when the paper began coming out once a week. Again, the motive probably was to promote Midland groceries.

An early editor drafted a woman bookkeeper at Midland to run the women's page. She also started the Uncle Walt column, which appeals to young people.

When this woman left about 1952, a bachelor took over, and ran the women's page for about 4 years. The page then was made up of releases from extension services plus handicraft and dress patterns, a recipe with photographs from one of the food pluggers, and a household hints column.

We knew it brought women's traffic -- as retailers say -- into the paper, but we really didn't know how much.

A survey in September 1955, by the U.S. Department of Agriculture showed us that readership on the women's page ranged up to 94 percent.

In the fall of 1956, the bachelor left and we brought in a spinster with a home economics background. She had been women's editor of the Dakota Farmer, famous for its women's page.

She reorganized the women's page. She stopped using most extension service material, stopped paying for household hints, and asked women to send in questions for others to answer -- occasionally referring tough ones to extension service specialists.

Another survey in February 1958 showed even greater readership following this revamping. As Como says, 'We get letters!' When we offered booklets on soap-suds for Christmas, 1,400 women wrote in.

Surveys bring out some interesting points:


1. Women read the paper, especially the women's page.
2. They buy lots of things themselves and advise their husbands.
3. Can the same technique used on the women's pages be applied to men?
 - (1). We have been gradually setting up a similar page for men on the page opposite the women's page.
 - (2). Handy Tips column has started, but men don't write in as often as women. Possibly we haven't run it often enough as a regular feature.

We've proved by surveys that women read the women's pages. We try to sell products indirectly, with some success.

The idea then occurred to us. Why not include cooperative educational material on the women's page?

That's where we stand now. We plan to develop some short pieces for the women's page to help put cooperative philosophy across.

What Woman Power Does in Five Cooperatives

 Beryle E. Stanton

You can count on the fingers of this hand the number of cooperatives that have women's programs. In actuality four of the five are set up as working departments of the co-op.

The elder sister of this quartet is Dairymen's League Cooperative Association, New York City. It has now reached the ripe age of 34 years. We "girls" would say it's just in its prime.

Indiana Farm Bureau Cooperative's program started in 1937 as the Home Department. It is now supervised by Organization Relations.

Then along came Southern States Cooperative at Richmond, Va., with its women's program. Luther Raper, head of their membership relations, says he heard about the League's program at one of the AIC meetings and so went home to get started on one of his own. This one went into full action in 1944.

Pacific Supply Cooperative, Walla Walla, Wash., is the Junior Leaguer of the group. Its women's program didn't "come out" until 1951 -- in part at least sparked they tell me by an article in the News for Farmer Cooperatives on Southern States program.

And the Utah Poultry and Farmers Cooperative at Salt Lake City has a women's auxiliary that is quite active, but is not a department of the cooperative.

Some other cooperatives do some fringe work with the women. This work covers such things as having a woman's editor for the membership publication, as Midland here does; help with youth contests, and letting the little woman do the pots and pans dirty work at meetings.

But I'll stick with the count down figure of five for this talk because that's all I have much information on.

No two of these women's programs fit the same mold -- any more than two women do, even though they may wind up wearing the same dress to a party. And even in the same regional co-op, one community's women's program may differ from another's. Some locals are just getting started, and are still at the social hour stage. In others, the women have matured enough to take an active business and educational part in the co-op.

But one thing all the directors of these women's programs make clear. No program is going to work in any community unless the local manager and director

want it and help get it organized. And the women in charge of the programs go into a local to work only when they know the local interest and backing is there.

Now will you join me on a trip through the USA via women's programs? Because of its seniority, let's start first with the Dairymen's League. It has a well-rounded program, as any good women's program should be. It's known as the Home Service Department, and many of you probably know its two women-in-charge -- Genevieve Judy and Lorene Blankenship.

Some 18,000 to 20,000 women -- wives of members principally -- are in this program. This year they have concentrated more on one or two special goals instead of spreading themselves thin. Main goal this year was to help get better attendance at meetings. This is natural, since the nearly 600 women who are associate delegates sit in on many of the planning meetings.

The League women are continuing their many other activities that have paid dividends for them and the co-op over the years -- promoting greater use of dairy products, improving quality of milk on their own farms, strengthening community relations, and the like.

Many of the League women act as reporters for their local, both for the community newspaper and for the League membership newspaper. Bruce Snow, editor of the League paper, has worked with them on this, giving some general ideas about what to look for in a story. He sometimes sends out basic press releases from the newspaper office, with blanks left for the women to insert -- such as for names of local officials just elected, time and place of meetings, and the like.

The League has a well-organized and effective youth program. Here again the women help by serving as adult advisors to the youth groups in many areas and sometimes are the spark that gets a group organized.

They often help bring in new members and also make new members feel at home in the organization. The day the Membership Service Department processes a new contract, it gives Home Service the name and address of the contract signer. Home Service then sends this information to the woman leader in the local where the new family has become members. Some of the women in that local group then call on the family and give them a special invitation to the co-op's next meeting.

The League does one particularly effective job that I don't believe any other co-op does. It harnesses this woman power into legislative power. In a matter of a few hours, the League says it can now alert over 100,000 key women leaders into legislative action.

This works on a chain reaction basis. When the League home office sees a troublesome situation arising in either the State or National legislatures for the dairy

farmer, it often notifies Home Service to start things moving. It sends a telegram to each of the 7 New York State legislative committee-women in the League, quoting them contents of a night letter sent to 36 advisory committeewomen asking them to contact the nearly 600 associate delegates in their districts by phone. The wires also suggest contacting key community leaders, and getting in touch with their Congressmen by wire, phone, card, letter, or personal visit.

The League women thus get into action fast. Then because they have been building up good relationships over the years with other women's organizations -- church groups, Home Bureaus, State Grange, and the like -- these women often turn to their firm allies in these other groups when the welfare of the dairy farmer is affected. Actually the president of the New York State Federation of Home Bureaus was the League's original Advisory Committee Woman in the home stamping grounds where the League started. That's proving a plus bonus of the League's women's program.

The League emphasizes it keeps this call for legislative action "non party." It gives the background facts to the women through the newspaper, in meetings, by letters, and the like, and makes it clear that any action the women take is voluntary. If the women don't agree with the League's stand, they can express their own opinions.

Now, let's head south out of Yankee Land down to Richmond and the Southern States program. It was a war baby. For it was in 1944 that it began drafting its women as aides in its membership campaigns.

Since this regional has nearly 385,000 members over its six-State area, the membership relations job is a challenging one.

Mattie Kessler now heads the feminine contingent which spearheads out through 425 Farm Home Advisory Committees -- 6 to a local unit, making a total of about 2,500 farm women as the main working force.

This 1959 Guidebook given to all the leaders in the program has a lot of good information on this co-op's history and operations. It also gives a blueprint for the year's program -- telling in some detail how the women can conduct Rural Youth Tours, Demonstration Meetings, or a Co-op Kitchen Party.

In addition to the youth tours, the women also promote tours for the women in the locals and their neighbors and friends. These may be tours to a local agency with seed identification contests, supply hunts, or something similar. Part of the time is spent on a question and answer period about Southern States in general and this facility in particular. Local officials help with these tours. Or the tour groups may go to the feed mill at Baltimore, to one of the research and evaluation farms, or to some other facility.

Purpose of the tours of course is to acquaint people with what the cooperative is and what its services are and to increase the volume of cooperative services.

Southern States makes good use of contests, prizes, quizzes, and the like in its educational programs for both men and women. And its women often top the men in

knowing the answers to detailed questions about Southern States operations.

Now, let's journey west to your closest neighbor on women's programs -- Indiana Farm Bureau Cooperative Association at Indianapolis. Its program is carried on in conjunction with the State Farm Bureau's activities. Viola Armstrong, its guiding hand, sees to it that considerable emphasis does go into co-op education and co-op commodity promotion.

One different thing she does is hold a 1-day district conference for wives of directors and managers -- the "forgotten women in co-ops" -- she calls them. She balances the program for them with some co-op education and some homemaker material and winds up with a talk by a co-op executive with the title "You are Important." Indiana finds that helps a bit with what someone at last summer's Women's Workshop called "Co-op Widows."

For the past 3 years Indiana has been holding Ladies Spring Jubilees -- on a county basis for home demonstration clubs, farm bureau women, high school home economics classes, wives of directors and co-op members, and town women. Viola counts up that she's reached 5,600 women in these meetings not touched by any other co-op contact. These Jubilees put the emphasis on co-op commodity information such as promoting co-op paint, except for one feature on the value of co-ops.

Indiana also sponsors district workshops for its county and township women leaders in cooperation with the wives of members of other co-ops. Purpose here is to reach local women with co-op information and develop better understanding of the Indiana Farm Bureau Co-op. It also works the other way, they say, as the co-op also gets first-hand knowledge of local problems through these workshops.

Let's wind up this Hoosier bit now by telling how this co-op uses the women in research and surveys. I heard Vance Lockhart, their research man, tell about this at the recent Spring Pow Wow of Co-op Information and Advertising men. One of the examples of the fruits and one of these studies can be seen in the book I have here. The co-op went out to the farm women and asked them what they would like in a home -- then passed this information on to architects. Result is this model farm home shown here.

The co-op of course expects to benefit from the sale of much of the material needed to build the home. They have also built a model of this house to scale and find it a wonderful tool for getting interest in meetings.

Now, for another jump across the country -- to the women's auxiliary of the Utah Poultry and Farmers Cooperative at Salt Lake. It has put a lot of its emphasis on programs to improve the quality of their poultry and eggs, holding meetings where co-op employees tell them how to do this job.

Utah has also sponsored poultry demonstration contests, encouraged tours to facilities, worked on youth programs, and many other things.

Here's one of their unique ideas. The women found out in meetings that people didn't know what farm supplies they could get through the co-op. So one woman

suggested a detachable section be put into their newspaper advertising items. This was done and proved a business booster.

Now let's head to that last frontier, the Pacific Northwest. The women's program of the Pacific Cooperative Supply at Walla Walla, Wash., is headed by Helen King.

Helen is the women's editor of the co-op newspaper, the Pacific Cooperator. Her program is the youngest of the lot -- starting in 1951. Because the program is still comparatively new, she uses more womanly devices than some of the others to get her toe in the door. But behind it all she says she aims for solid co-op education and public relations meat as the main ingredient in her stew.

She uses crafts and homemaking lures to get the women to meetings in the first place. Then as each local unit develops, it usually becomes possible to place less emphasis on these and more on other meatier aspects of co-op work.

To me one of the most interesting aspects of the Pacific Supply program is the reporting job her women have been doing. Here's the evidence. In a recent year, some 51 women contributed 137 news stories totaling 602 printed inches and 34 photographs to the membership newspaper. Helen works closely with the editor, and vice versa, holding simple workshops on what makes a news story, but not trying to formalize this training enough to scare out the women or to try to make professional reporters of them. She says the professional touch can be applied at the newspaper office.

Using women as local reporters grew out of the fact that the paper wasn't getting enough grass roots news -- most of you know how hard it is for a desk-bound editor to find out what's happening in several hundred locals. Then managers were usually too busy to do any reporting job. So in many areas the Pacific women have taken on this chore, but work closely with the manager to see what he wants reported.

From this start, the women have moved on to getting a lot of inches into their local hometown papers. Maybe I should say footage, as you'll see later. One of the reporters from the Gem Supply Co-op at Emmet, Idaho, came up with this gem of an idea -- pasting clippings she was responsible for getting into the local newspaper end to end on a long piece of paper, and adding to it until the whole year's record was there.

The strip wound up 97 inches -- 8 feet 1 inch -- long.

Helen also has the women help keep the newspaper's mailing lists up to date and legal. Because of postal regulations, the paper must have signed cards from members before their names can be added. The women get these cards signed, and in some areas have set themselves a goal of 100 percent membership circulation.

These Pacific Cooperative Women do quite a public relations job for their association in many other ways. Helen and Mrs. Bruce Strachan -- some of you know Mr. Strachan, I'm sure -- have put on Glow Candle demonstrations on television,

liberally sprinkling the co-op's name into the program as they dusted the glitter on the candles.

Other Glow Candle demonstrations in co-op local offices, Holiday Bread and Candy Shows, and other gimmicks have opened many a community door to this co-op. As many as 300 to 500 women -- and some men -- have come to these meetings. And Helen points out she uses the soft sell here also, letting it be known who is responsible for the demonstration as well as the fact that many of the products used come from the co-op.

Another different thing Helen has been doing is to get her women acquainted with co-op brands. We scurried through all our records and got her as complete a list of co-op food brands as we could. She found some others, then ran a series in the paper on each, using pictures and briefing the readers on some highlights about each brand.

This year at the annual meeting, the women sponsored a Co-op Label Bingo Game -- in a room with a big display showing brand names of products produced or marketed cooperatively. They passed out yellow printed lists designed for shopping references at the playing tables along with recipes and advertising leaflets furnished by the co-ops mentioned.

Over 300 played the game and won hundreds of gifts donated by the co-ops whose names were represented.

Just one parting point on the Pacific women. Helen says one of the main aims of the program is to develop leadership among the women ... to sit back and let the women learn to run the local meetings and make the plans. Helen sees her main responsibility as a consultant. Realistically some of the new units do need a good bit of steering in the beginning, but they must soon pass out of the toddling stage as this one-woman staff can't possibly hold any one unit's hand very long. Besides, that's part of the reason for a woman's program -- to help the women develop themselves.

Well, that's the end of that cross-country. I've thrown a lot of things that women do at you pretty fast. These women are busy, that I think you will agree with. As to whether they should be busy at what they're doing, that of course is a matter for you and your co-ops to decide.

But just the other day when I was sitting at your sister member relations conference in Richmond, I had a little inner debate with myself on that very subject. Mattie Kessler had been telling about some of the women's activities in Southern States. Some of the men raised some questions on the value of a woman's program in the discussion afterward. Some had what I call the "Let 'Em Bake Cake" philosophy.

So I asked myself -- Why should farm women be made a part of their husband's business activities any more than a grocer's wife, for example. But then I thought back to my own days growing up on a farm and to my vacations there each year since. And I know, as most of you do, from this personal experience that women are more closely involved in the actual business of the farm than in most other kinds of work

closely involved in the actual business of the farm than in most other kinds of work. So I won't pursue this point.

But to pinpoint a little further why co-ops have women programs and what these co-ops think they're accomplishing with them, let's do a quick recap on six major points.

First -- ON EDUCATION. All agree this is the foremost purpose of the program. Does this pay off? Well, Luther Raper, head of member relations in Southern States, says, "That's where women can make their greatest contribution and they've proved their worth to us." For example, in one of the big co-op-wide quizzes one year, 6 of the 10 sectional winners were women.

Second -- ON PUBLIC RELATIONS. Again the co-ops say the women have helped kindle community interest and get better understanding among both town and city people. They do this through local newspapers, radio, television, meetings, exhibits, floats, and just plain old chit-chat up and down the streets and roads. For one quote, a local manager of Pacific Supply said this about the Glow Candle Demonstrations -- "Believe me we are sold on the idea. This has been tops in good public relations." Several of them asked that demonstrations be held at night so men could attend. Nearly 1,000 people watched the demonstration at a hobby show, then the two women putting it on were asked to do a city-wide demonstration. From this the co-op sold over 2 tons of wax and other materials.

Third -- ON THE BUSINESS SIDE. The co-ops where women are pushing for quality products report great success with this activity.

A Southern States manager wrote -- after a Women's Day in his outlet -- "Since Women's Day we have moved nine refrigerators, five washing machines, two electric stoves, and two farm freezers. Besides bringing several hundred patrons to our store, this occasion gave us a boost and the necessary publicity to move these appliances."

Many of the managers in the Pacific co-op report that getting traffic into their locals -- nearly always the scene of any women's activities if they can engineer it -- brings them considerable increased volume.

Fourth -- ON THE MEMBER RELATIONS FRONT. Several Southern States local managers have commented they couldn't run either the local meetings or the local organizations without the women.

Pacific Supply says the women get the "old man" out to meetings, and get the vote out that way. As an example, the manager of the Milton-Freewater co-op in Oregon credits the women's program with jumping annual meeting attendance from 50 to 500.

Stanley Benham, president of Dairymen's League, says, "We often get better results on special jobs by calling in our shock troops, the women. By letters, phone calls, and personal contacts, they've helped us put across many a program ... Making women partners in the co-op just as they are on the farm helps hold enthusiasm and maintain loyalty."

Fifth -- ON LEGISLATION. Let me quote from a recent letter from Genevieve Judy of Dairymen's League on this one. "We have just recently finished one of our most effective legislative goals."

Sixth -- ON DEVELOPING LEADERSHIP AMONG THE WOMEN. I've already commented on this a time or two. But here are one or two specific examples. Dairymen's League now has one woman on its big board of directors and they say she's making a good contribution.

And I'd like to quote from a story I did in the News on the League program. Mrs. William Walker of New York says, "Being a part of this women's program for many years has broadened my horizons, taught me to speak before large groups, how to preside at meetings, and given me friends, good friends, from all over the area. I'd go so far as to say, I've received an education from this activity. Reading to learn more about my job, listening to good talks, and trying to understand what is happening have opened up new fields for me."

Mrs. Walker went on to say: "Thirty years ago I'd guess not a woman in the League could get up before an audience. Now a great many of us can -- and do all the time, not only in the co-op meetings but in clubs, in Statewide meetings."

If anyone here is still interested in more about women's programs, we've brought along a couple of publications -- a reprint collection of articles on these various programs and a circular on their activities that many of you have seen.


These go into more details of administrative setup and how the programs are put into action.

Then the 1958 Proceedings of the American Institute of Cooperation brings you up to date with a number of reports given by leaders of these various programs at last summer's Women's Workshop held just ahead of the regular AIC meeting.

So as you have heard, some co-ops think woman power has a place in their operations.

In closing, I'd just like to paraphrase the famous remark about penguins -- I hope I haven't told you more about women than you wanted to know.

What Cooperatives Have to Offer People 3/

 J. K. Stern

Someone has said -- "Citizenship is a two-way street. It entitles one to privileges and to protection of the laws of the country; in return it requires allegiance and active participation in building the economic and political integrity of the community and the nation." The same might be said of cooperatives that offer, in addition a means through which there is the hope of im-

3/ This speech was delivered at the luncheon meeting of the third session, Friday, May 15, 1959.

proving their standard of living -- basically it's economic, but there are other factors involved, too.

Our ancestors fought and died that we might have political freedom -- our cooperatives fully supported, properly financed and properly managed can give us economic freedom.

Each of our cooperatives, like our United States system of government is a republic. We democratically elect people to act for and assume responsibility for us. This has provided maximum opportunity to more people than has any other system yet devised by man, largely because it encourages wide acceptance of responsibilities. Kites rise against the wind, and human beings increase in wisdom and in stature if they accept more and more responsibility and know what to do with it.

In a credit union a member is encouraged to be thrifty. When he borrows money the loan committee encourages him to use it wisely and to repay it as soon as practical. The credit union not only saves the member money but it encourages him to be wise in his use of money.

In a cooperative health service, chief emphasis is placed on preventing illness and encouraging good health habits of members rather than concerned only with doctoring the ill.

In a supply cooperative every effort is made to improve the management practices of the member as well as to provide him with quality supplies.

In a marketing cooperative the member learns what the market wants and is rewarded for producing the quality of product which is in demand.

The many tasks within a cooperative organization, whether serving on a committee, on the board of directors, or whether it is a member telling the story about the cooperative to his neighbor or to his city cousin, tend to develop the talent and leadership abilities of those who participate.

The members, directors and employees of a cooperative can team up with other cooperatives, educational people, county agents, vocational agriculture teachers, experiment stations, for they have similar goals. A healthy cooperative is a growing organization whose members and employees are constantly trying to improve the services and the organization itself. It welcomes changes, rather than fighting them, and encourages youth as well as adults to suggest improvements that can be considered by management and the membership.

Each member is a part of the organization just as each brick in a wall is part of a house, so the loyalty and enthusiasm of members benefits not only that individual but the organization as a whole. When a member speaks about "his" or "her" Cooperative, it is a demonstration of pride in an organization that he or she is a part of. It is just as logical for a member to be proud of his cooperative as to be proud of his farm or his herd of cattle. Each belongs to him and he is a part of them.

People and organizations grow together. Your large dairy cooperatives with their processing plants, sales organization, and a trade name respected by housewives, did not grow up overnight. Members took one step at a time. As they found that working together in producing a quality product could pay off, they got courage to invest more of their funds in plants, in advertising, and in merchandising, in capable management, and in an ever growing program for the future. The board of directors, and the members are bigger people today because they faced their problems and made the decisions that have brought them to where they are.

If 25 years ago anyone had said that today farmers would be well on the way to owning their own banking system, most people would have considered the statement foolish. Many thought farmers could not operate a bank. But today farmers are running their own P.C.A.'s, N.F.L.A.'s and soon their own Banks for Cooperatives. The same could be said for rural electric cooperatives, telephone cooperatives, mutual insurance companies, grain terminals, and many other types which farmers operate successfully today.

What I am trying to say is that many of the abilities which farmers and their families have today were not learned in school, but are the product of working with their neighbors in cooperative activities.

The cooperative leaders who represent their organizations in working with a 4-H Club, a Scout troop, an FFA project, Future Homemaker, Rural Youth, Young Cooperators, or other youth groups, will themselves become more capable because of this activity. "He that would save his life must lose it" is wonderfully demonstrated by many cooperators in my acquaintance, who lose themselves in worthwhile causes that benefit others as well as themselves.

The pay envelope falls far short of explaining why the captain goes down with the ship -- why the nurse faces death with her patient -- why the coal miner risks his life to save a fellow miner in a gas-filled tunnel.

Deep in every human breast is the desire to be respected by one's fellowmen.

The Challenge of Cooperatives, however, includes much more than this. You and I know it to be a fact that the greatest hope for improving net farm income lies in having farmers and their families understand the possibilities and opportunities of accomplishment in owning, controlling, participating in cooperative purchasing, marketing, and service organizations.

The challenge confronting the leaders and employees of farmer cooperatives today is greater than that of building volume, or of strengthening a particular cooperative. It is the challenge of instilling hope in a new generation of farmers that they themselves can, must, and will solve their own economic problems, and that to depend too much upon government for a solution can only end in more disappointment and eventually serfdom for agriculture.

Andrew Carnegie once said that if his steel mills, his inventories, his equipment, and his entire fortune were swept away, he could build them all up again

if just his "key" men were left to him. You are these "key" men. The future of agriculture in this area will be determined, in fact is being determined to a large extent by you men and women in this room. How we select, and elect, directors and share responsibility with them, has a lot to do with how members feel about their organization. Understanding puts life into knowledge and virility into its application.

The success of a cooperative organization is due largely to the educational process. As more and more members accept their responsibilities while looking for the opportunities that come from working together, the whole group moves forward. A basic weakness in our less successful cooperatives is that too many members feel their responsibility stops when they have elected a board of directors, or the board feels that its duty stops with hiring a manager, or the manager is interested only in the business end of the cooperative.

The type of people that help to make this country great are naturally attracted to a sound cooperative program. The wife who serves as a den mother for Cub Scouts or Brownies, the people who are willing to serve on school boards, the leaders in our churches, the folks who keep the P.T.A. going around your school, the leaders who work with 4-H, FFA, FHA and other youth groups, the man who coaches the little league ball team, the people who help raise funds for the community chest, -- these are the "diamonds in the rough" in our population today, and the type who carry more than their share of responsibility in cooperative organizations.

Just as it takes a better pilot to operate our planes today, compared with a generation ago, it takes better-educated, better-informed, and better-trained members in a cooperative today to achieve maximum results for the cooperative, and for the individuals who are its members.

Just as many instruments sound best in an orchestra, so do many individuals find their greatest opportunity in life as a result of teaming up with neighbors in a common task.

The spirit with which a high school football team attacks its opponents is the spirit which originally moved our pioneer cooperators. Surely we need sound business principles and practices, but our lack of success in many cooperatives today is due more to the lack of enthusiasm among the membership -- a lack of team spirit -- than to any other one factor.

Making cooperatives a family affair, giving youth more responsibility, getting some younger people on boards of directors, being more concerned about member and public relations, are areas of cooperative activities too often neglected. Perhaps if we paid more attention to these, the increased loyalty would result in more volume, better financing, better management, and a more progressive organization.

Modern civilization tends to pull our groups apart and oppose the natural instinct of normal people to work together. The barn raising, the husking bees, the community threshing ring, and most of our group activities we once had have

been replaced by machines and gadgets which we use individually. The cooperative is a natural to revive some of these latent desires of human beings to work together, and in so doing the economic opportunities of each one can be increased.

Several years ago I served as a judge of the Community Service Contest sponsored by the National Grange and the Sears Roebuck Foundation. Here again I was thrilled with what can be done when people share their efforts and mutually work at a task that is in the common interest. The leaders of the projects in some isolated mountain communities were bursting with pride as they reported on what had been accomplished during the year. Rural ministers, county agents, Vo-Ag teachers, school superintendents, police and fire chiefs volunteered the information that this group effort was the finest thing that ever happened in their community, and all people and worthy institutions benefited by it.

In this area you have sometimes had a problem of getting all farm groups to team up. Your State organizations of cooperatives are beginning to attack this problem. An obvious result of these efforts in the Community Service Contest was what it did to the people themselves. One Grange group, learning that they were to be among those visited by the judges, mixed and poured concrete until midnight on a Saturday night so that by the time we arrived the next week their community building could be viewed to best advantage.

The wife of a farmer in Texas, in an extension meeting where I was present, was asked what was the greatest contribution that cooperatives had made to her family. Her answer -- "My husband, by serving on committees and later on a board of directors learned to stand on his feet and express himself before an audience of neighbors."

I have seen junior boards of directors teach their elders, how to conduct a meeting -- and I have seen them put courage in the hearts of their elders in facing up to a big task.

I have seen youth and the wives of members put new life into membership meetings and lift up an organization that was dying of dry rot.

Hardening of the heart ages people more quickly than hardening of the arteries.

The best way to teach our young people the meaning of our democratic freedoms is to demonstrate, by our own example, that we have mastered the 3 R's of citizenship -- "Rights - Respects - and Responsibilities."

Anton Lang, great Christus of the Oberammergau Passion Play, made some of his scenes almost too real. The cross he carried seemed too heavy to bear. He could barely stagger under its weight for it was of solid timber. An American once asked why he did not substitute a lighter one. He could make it appear heavy. "After all, it is only a play."

"If I do not feel the weight," said Anton Lang, "I cannot play the part honestly."

It is frequently said today that we have a great many people in the United States who want something for nothing. I believe that we have a ready-made

opportunity in cooperatives to build organizations for economic gain and to build people into more capable citizens and more happy persons all at the same time.

Through cooperative effort we give people opportunities, we build faith in ourselves, we develop hope for a brighter future.

How many farmers would not own their places today if there had been no Land Bank?

How many others would have gone broke without the P.C.A.?

How many co-operatives would have died and how many others would not have been born without the Banks for Cooperatives?

How many more people would be penniless and at the mercy of loan sharks without their credit unions?

How many farmers would have electricity today without the rural electric co-operatives?

I would not have you believe that all of the problems of mankind can be solved by cooperatives -- but a great many of them can. Nor would I have you believe that the cooperative is the only type of business that encourages the development of people, but I am sure that it has some advantages.

Let me conclude by saying that this cooperative principle is right -- it has always been a part of the American way. It is endorsed by business groups such as the U.S. Chamber of Commerce. It is endorsed by all major religious denominations, the Congress of the United States has passed laws to encourage the development of co-ops, your colleges, the Farmer Cooperative Service, the Farm Credit Administration, the State and Federal Offices of Education, every classroom in the Nation is a potential ally in telling the story of co-ops to 180 million people. The A.I.C. is constantly working at this task.

I commend you folks for the progress you are making.

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